





## German Paper Says U.S. Stance On Palestinians Aids Terrorism

BONN, Sept. 14 (Reuters).—The independent newspaper Frankfurter Allgemeine said today that the U.S. government's recent call for the Palestinians to take part in the Geneva Middle East peace conference indirectly supported acts of terror throughout the world.

Guerrilla groups in West Germany, including the gang that has been holding business leader Hanns-Martin Schleyer hostage, have close links to Palestinian extremists, who would feel themselves encouraged by the U.S. move, the newspaper said in a leading editorial.

The paper commented: "In its statement, the U.S. government referred only to the participation of 'Palestinians' in Geneva. America has not yet affirmed that it wants the Palestine Liberation Organization to take part."

"Nevertheless, [Yasser] Arafat's organization, to which several internationally known criminal groups belong, will interpret the U.S. Foreign Ministry's statement as a diplomatic victory since it weakens Israel's position."

2,600 Cases Reported; 3 in Europe

## Arab Countries Take Steps to Halt Cholera

BEIRUT, Sept. 14 (AP).—Middle eastern Moslem countries began a three-day fast today with prayers for protection against cholera, which has stricken more than 2,600 persons in Jordan, Lebanon, Syria and Saudi Arabia this month.

Authorities in the Netherlands and Britain have reported three cases of cholera in the last few days involving persons arriving from the Middle East. All three have been hospitalized, one in the Netherlands and two in Britain, and are reported to be making satisfactory progress, according to Reuters.

Health officials urged care in preparing the cookies and tarts that Moslems eat in great

numbers during Balam, the feast that ends Ramadan's month of daytime fasting. Street vendors were ordered not to sell sweets to children.

Syrians and Jordanians were asked to abstain from the 14-century-old tradition of exchanging home visits during Balam. King Hussein canceled Balam rallies in an attempt to check the spread of infection.

Kuwait called for health ministers of the Arab League nations to meet in Cairo Sept. 24 to discuss eradicating the gastro-intestinal disease, which is spread by contamination of food and water.

Kuwait Health Minister Abdul Rahman al-Awadi said that his government and those of other oil-exporting Arab countries would mobilize funds and manpower to combat the disease. The number of confirmed cholera victims rose to 2,300 in Syria yesterday, with at least

70 deaths. Jordan reported 361 cases and Lebanese officials reported 18, with no fatalities in these countries.

In Tehran, health authorities said that 13 Iranians were admitted to hospitals today for treatment from a nonfatal strain of cholera. They said that other cases were reported elsewhere in Iran, but declined further details.

The Saudi government reported "only a few cases" and said that "unrelenting precautionary measures" were being taken because of the annual pilgrimages that takes millions of Moslems from around the world to Mecca and other holy places in Saudi Arabia each November.

The Egyptian government appealed to its people to stay inside the country for a month. Three hundred persons were held in quarantine at Cairo airport after they arrived without cholera inoculation certificates.

## Islam Laws to Be Resisted

# Egypt Assures Coptic Christians

By Don A. Schanche

CAIRO, Sept. 14.—The Egyptian government has promised leaders of the nation's apprehensive Coptic Christian community that it will resist attempts by Moslem conservatives to enact harsh, traditional Islamic laws in Egypt.

Premier Moudoud Salem visited Pope Shenouda III, head of the Coptic Church, to convey the government's assurance on Monday, the final day of a weeklong fast and prayer vigil called by the Copts to protest the proposed new laws.

Neither the government nor the church would confirm the purpose of the Premier's unusual call on the patriarch, which was reported yesterday in Cairo newspapers. Church sources, however, said that Mr. Salem promised that the government would not support a return to the severe penalties of Islam.

"He said the government will not even permit the draft of the proposed law to proceed to the People's Assembly (parliament) for debate," a church source said.

The law of Islamic punishments

was drafted by a committee of Moslem religious leaders and legal scholars at the request of Moslem conservatives in the People's Assembly who have been urging a return to old Islamic values. Among other things, it calls for cutting off the right hands of thieves, stoning adulterers and sodomists to death, hanging apostates who renounce their Moslem faith and flogging those who produce, sell or drink alcoholic beverages.

The law would apply to foreign residents and visitors, too, according to one of its authors.

When the proposed draft was submitted to the Justice Ministry earlier this summer, it produced apprehension not only among the Coptic Christians, but among owners and managers of tourist establishments that sell alcoholic beverages and in government-controlled wine, liquor and beer industries. Egypt adopted a law last year that prohibits the sale and consumption of alcohol in nontourist places, but it has not been widely enforced.

Death for Apostates

At least some of the Copts' fear centered on the provision of death for apostates. While conversion to Christianity by Moslems is not common, temporary "double conversions" are.

Because the Coptic Church does not permit divorce, some Coptic men renounce Christianity and become Moslems, gaining the legal right to break a marriage simply by repeating to the wife "I divorce thee" three times in the presence of witnesses. Many then return to Christianity, which under the proposed law would make them subject to execution for renouncing Islam.

Other Objections

A number of Copts, who tend to be more cosmopolitan, and better educated than their Islamic fellow citizens, also objected to the law on purely humane grounds. "It would represent a giant leap back to the Middle Ages," said a prominent Coptic woman who earned her doctor of philosophy degree in the United States and has long advocated women's rights and a separation of church and state in Egypt.

The importance and veracity of a woman in Islamic law is defined as exactly half that of a man, since it requires the testimony of two women to equal that of one man. To most Copts, as to most Westerners, the punishments still applied in arch-conservative Saudi Arabia seem brutally excessive. A thief, for example, would lose his right hand at the wrist for a first offense and his left foot, cut off "in the middle so that there shall remain a stump upon which the criminal can walk," for the second. On the third conviction, dismemberment ends and the culprit goes to prison to mend his ways.

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## Dispute Splits French Left

(Continued from Page 1)

fense and nuclear policy, with the Communists fully supporting France's nuclear strike force, and on higher minimum salaries for workers and higher taxes for the affluent.

While the leftist parties were quarreling today, the governing coalition made up of Mr. Giscard d'Estaing's Republican party, the Gaullists and smaller centrist groups signed a campaign manifesto as a symbol of their new-found unity.

Mr. Giscard d'Estaing and Gaullist leader Jacques Chirac have been squabbling bitterly for the last year over the strategy for fighting the left in next year's election. The document their parties signed today is a collection of innocuous principles rather than a program for governing. But it appears to be an important step toward a lasting truce for the conservatives and centrists.

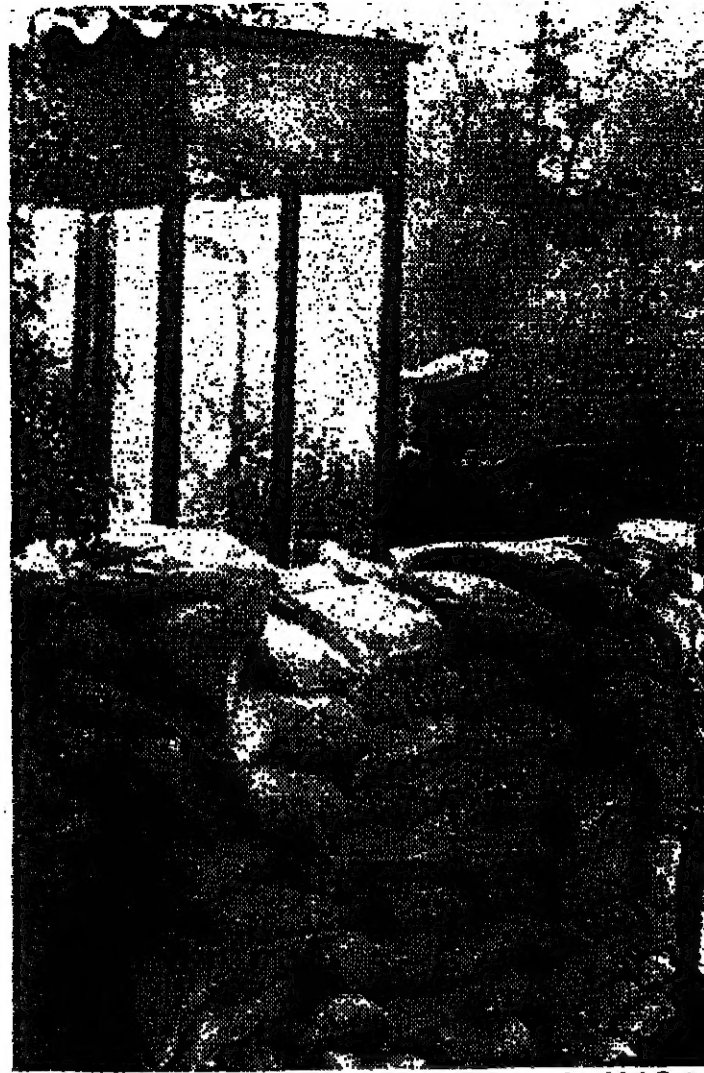
The President's chief of operations in the government, Prime Minister Raymond Barre, left tonight for the United States, where he is expected to discuss policies on arms reduction, nuclear nonproliferation and East-West détente.

The subject of the Concorde supersonic airliner's much-delayed landing rights in New York is also considered sure to come up.

The takeoff of Mr. Barre's Washington-bound Concorde was delayed 65 minutes because of technical problems with the aircraft.

## Hawaii Volcano Erupts

WASHINGTON, Sept. 14 (Reuters).—Kilauea volcano in Hawaii, one of the most active in the world, began erupting last night for the first time in almost two years, the U.S. Geological Survey said.



## Bakers Agree To Mediation In U.K. Strike

But Will Not Go Back On Job During Talks

LONDON, Sept. 14 (AP).—Striking British bakers agreed today to accept mediation but would not return to work during the talks.

Sam Maddox, general secret of the Bakery, Food and Allied Workers Union, agreed to accept mediation during a three-day meeting with Jim Morth, chairman of the government Advisory Conciliation and Arbitration Service.

The bakers have been on strike for five days in a dispute over pay and holiday time off.

'Gone with the Wind'

"I feel we have put a very case over this morning with the facts," Mr. Maddox said. "The bakers are conscious of the harm dispute is doing to the public and the industry and we are getting around a negotiating table. Britain's 4,000 independent bakers are providing most of the country's bread, but spokesmen Morris Zimmerman said, cannot keep up this pace longer."

Meanwhile, European Air passengers traveling to and from London on British Airways asked to load their own luggage today after the airline's bag loaders went on strike. The bakers complained of police harassment after a raid yesterday to investigate thefts of luggage.

Volunteers were recruited to help load the bags of elderly sick passengers, while management personnel loaded bags of the planes.

The resulting delays add the problems of air travel ready subject to lengthy because of a strike by the 850 air traffic control assistants.

## TIGHT SECURITY—The Bonn residence of Franz Josef Strauss, leader of the Christian Social Union and a former defense minister, is guarded against possible terrorist attack. Security has been boosted for politicians and businessmen since Hanns-Martin Schleyer was abducted.

## Bonn and Intermediary Hint They Think Schleyer Is Alive

(Continued from Page 1)

The cost will be nearly \$380 million during the next four years.

Most of the new security officers will be assigned to the frontier police, which now has 25,000 men and guards border crossings and airports, and has sensitive tasks in Bonn.

The kidnappers have set several deadlines for Mr. Schleyer's "execution" unless the government releases 11 ultra-leftists from prison and flies them to a country of their choice, waiving any claim to extradition.

The Bonn government so far has been stalling, and the terrorists apparently have allowed their successive deadlines to lapse.

Late last night the authorities here disclosed they had sent the "rapists of the prisoners" to the kidnappers by way of Mr. Payot. This was understood to mean that officials had asked the six imprisoned men and five women who are on the terrorists' list where they wanted to be flown if they were to be set free.

It was learned today that the 11 had named Southern Yemen and North Korea as their chosen havens.

1975 Berlin Case

In 1975, five terrorists were freed from jail and flown to Aden, Southern Yemen, in a deal to save the life of a conservative politician, Peter Lorenz, who had been kidnapped in West Berlin. Some of all of the five have meanwhile slipped back

into West Germany, and one of them—Verena Becker—is among the 11 jailed radical extremists whom Mr. Schleyer's abductors want to liberate.

Several West German terrorists—some in prison and others at large—are known to have undergone guerrilla training in Arab camps in Southern Yemen and elsewhere in the Middle East.

West German authorities took action today against persons who expressed sympathy for the terrorists. In Wilhelmshaven, two men were detained briefly after they had smeared the interior of a church with graffiti gloating over Mr. Schleyer's abduction.

In Goettingen, state prosecutors' investigators searched the premises of the local chapter of the General Students' Committee, a nationwide organization, after leaflets had been circulated in which Mr. Schleyer was mentioned with sarcasm. The group denied that it was responsible for the leaflets.

A former student leader, Rudolf Dutschke, who played a role in the academic protest movement of 1967-68 in West Berlin, condemned "individual terrorism" in an interview that will appear in tomorrow's issue of the weekly Die Zeit of Hamburg.

The weekly also will publish a comment by the leftist philosopher Herbert Marcuse, reflecting terrorism in West Germany as a phenomenon that is splitting the leftist movement.

## Giscard Tells Gierek Paris To Seek Success at Belgrade

PARIS, Sept. 14 (Reuters).—President Valéry Giscard d'Estaing today told visiting Polish Communist party leader Edward Gierek that France was determined to make a success of next month's East-West conference on European security and cooperation in Belgrade.

Mr. Gierek and Mr. Giscard d'Estaing also discussed increased trade between Poland and France, viewed by both governments as a practical expression of détente in Europe. Mr. Gierek's 3-day state visit ended today.

The two leaders were due to sign a series of agreements covering supplies of capital goods for industry, chemical products, food and shipping.

To Extend Credits

French officials said that France would extend credits to Poland for the purchase of 300,000 tons of wheat. Poland will step up its exports of coal to France.

Mr. Giscard d'Estaing told the Cabinet today: "France will see to it that the Belgrade conference has a positive outcome in all fields."

## Hawaii Volcano Erupts

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Edward Gierek

objective and detailed balance sheet, free from flattery or polemics," the President's office said.

## Japan Extortionists Get 300 Million Yen

NAGOYA, Japan, Sept. 14 (Reuters).—Two men claiming to be members of Japan's Red Army urban guerrilla group extorted almost 300 million yen (\$12 million) yesterday from two school officials whom they lured to a hotel room and held at gunpoint.

Police said that the officials were threatened by two armed men who said they were collecting funds for the Red Army. The robbers forced one of the officials to accompany them to the bank to withdraw the money.

## Vatican Jurist Named

VATICAN CITY, Sept. 14 (UPI).—Pope Paul VI named Pericle Cardinal Tettamanzi today as chief of the Vatican's highest court, the Roman Rota, the official of the Roman Rota.

## Panama Bids UN Observe Treaties Voted

WASHINGTON, Sept. 14 (UPI).—Panama invited the United Nations yesterday to send observers to its Oct. 23 plebiscite on the Panama Canal treaties. Panama's bid for UN observation of human rights in country by an agency of the Organization of American States, Gen. Omar Torrijos, chief of government, said the invitations to Kurt Heim, secretary-general of the United Nations, and Andrej Kar, chairman of the Inter-American Commission on Human Rights.

Gen. Torrijos, who joined Gen. Carter at the signing of new treaties in a Washington ceremony last week, made clear that he was responding to arguments by opponents of the treaties that the Senate's refusal to ratify them meant Panama's violations of human rights and because the Panamanian referendum would be a "free" vote.

"There have been a number of unfounded and irresponsible charges made against my government about alleged violations of human rights," the general in a letter to Mr. Aguirre, distinguished Venezuelan diplomat.

## Spain, Honduras H.U.S.-Panama Treaties

TEGUIGALPA, Honduras, Sept. 14 (UPI).—King Juan Carlos of Spain and Honduras' President Juan Alberto Melgar C. said yesterday the new Panama Canal treaty represents a "step of understanding" which serves as an example for nations.

The two leaders congratulated the United States and Panama in a joint communique during the King's one-day visit to this Central American country.

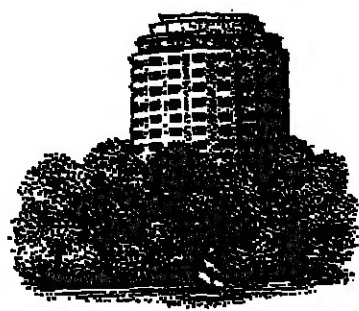
## Ex-Im Bank Head Vows To Keep Aiding Taiwan

TAIPEI, Sept. 14 (UPI).—John Moore, chairman of U.S. Export-Import Bank, today said that his bank would continue to finance Taiwan's economic development projects if Washington recognized the People's Republic of China.

Mr. Moore said that arrangements, including possible legislation, would be worked out. He added that the U.S. government "won't do anything" to jeopardize the huge loans already extended or committed to Taiwan by the Ex-Im Bank.



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### Defeat in Senate

## Electric-Rate Proposals Cut from Carter's Energy Plan

WASHINGTON, Sept. 14 (AP). President Carter's energy plan had a new setback today as the Senate Energy Committee rejected most of the electric utility proposals made by the administration and approved by the committee unanimously to scrap the entire Carter or new rate structures that

would prohibit utilities from discounting electricity for large industrial consumers. It also would have required utilities to offer lower rates when demand is low.

The House approved this approach last month and also voted to give the federal government an even stronger say in determining electric rates. Senate Energy Committee Chairman Henry Jackson, D-Wash., said, "We don't feel the government should take over functions now exercised by the states."

The committee tentatively agreed to a milder alternative that would authorize the secretary of energy to intervene in state electric rate cases to recommend ways of conserving energy. Sen. Jackson denied that the vote was a major blow to the goals of the administration plan. "It's just a different means by which we achieve those goals," he said.

Meanwhile, the administration reversed an earlier stand and urged Congress to authorize speedy construction of at least one and possibly two pipelines to transport surplus Alaskan gas to the rest of the country.

Federal Energy Administrator John O'Leary said that the overland lines are needed because of an anticipated glut of oil from the Alaska pipeline.

The two proposed routes are the Soho project involving a pipeline from Long Beach, Calif., to Midland, Texas, and the Northern Tier proposal, which would bring a pipeline from Fort Angeles, Wash., to Clearbrook, Minn.

Meanwhile, President Carter's energy program is undergoing major changes in the Senate. The Senate approved a wide-ranging energy bill yesterday setting new conservation standards for buildings, home appliances and automobiles after rejecting a proposed mandatory gasoline rationing plan. The rationing amendment was defeated, 73 to 15. The Senate then passed the overall bill, 78 to 4.

Although it contains many of the energy-saving measures proposed by Mr. Carter, the legislation also includes a ban on the manufacture of cars with poor fuel economy, beginning with 1980 models that get less than 16 miles to a gallon.

Conference Necessary  
The House passed the President's energy plan largely intact last month. House-Senate conferences will have to resolve differences between the energy legislation passed by each chamber.

The Senate also voted, 43 to 30, to repeal the part of the recently enacted Clean Air Act that gives the President the power to order utilities to burn only locally available coal.

In a related development yesterday, former Vice-President Nelson Rockefeller proposed that an independent U.S. government corporation be created to finance high-risk projects designed to increase the domestic production of energy.

Mr. Rockefeller told the Senate Finance Committee that the corporation would be patterned on the U.S. Reconstruction Finance Corporation of the Depression and World War II years.

"Conservation of energy is vitally important but conservation alone cannot do the job," Mr. Rockefeller said. "America must produce far more energy within its own waters if it is to have a growing economy."

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### Weather Underground Chief Surrenders

## Rudd Ends Seven Years as a Fugitive

NEW YORK, Sept. 14 (AP). —Mark Rudd ended seven years as a fugitive today without saying a word in public about the radical Weather Underground group.

Mr. Rudd, 30, would not say where he has been or what he has been doing or why he was giving himself up. He surrendered himself at the offices of the Manhattan district attorney.

His attorney said Mr. Rudd will not make any statements to the courts, to any government agency, to the press or to anyone else.

Mr. Rudd—a self-proclaimed revolutionary who was quoted in 1969 as saying, "Don't be afraid of telling people we're Communists. Don't deny it. Be proud of it."—Had been a fugitive since 1970, when he jumped bail on charges of conspiring to commit bombings. He became the object of an intense FBI search.

Charges Listed  
Officials here said Mr. Rudd would be charged with jumping bail and a variety of misdemeanor offenses in connection with the student takeover of buildings at Columbia University in 1968.

Tomorrow, Mr. Rudd is expected to present himself to Cook County authorities in Chicago where he faces charges stemming from a 1969 anti-Vietnam war demonstration known as the "Days of Rage."

Since he disappeared in 1970, Mr. Rudd has reportedly not returned to his family home in Maplewood, N.J., and has not seen his parents. They were not



Mark Rudd

at the courthouse when Mr. Rudd surrendered, a court official said.

The Weather Underground was created in 1969 from remnants of Students for a Democratic Society and Mr. Rudd was one of the original leaders, and there its president. It was not known if he remained a leader of the group in recent years.

Claimed Sabotage  
The group has claimed responsibility for a wide variety of acts of political sabotage in the last seven years since members disappeared into the underground. Among them were bombings at the U.S. Capitol, the Pentagon, the Gulf Oil Co. headquarters in Pittsburgh, and the prison escape of Timothy Leary, the drug culture leader.

Mr. Rudd was the best known of the Weather Underground members who turned themselves in recently. But other well-known leaders of the group—including Bernardine Dorn, Jeffrey Jones, Bill Ayres, Kathy Boudin and Cathy Wilkerson—are still living underground. No charges are pending against Mr. Ayres, but the others are fugitives.

### Navy, Marine Corps Affected

## U.S. Orders Cut in Short-Takeoff Jet Work

By Bernard Weinraub

WASHINGTON, Sept. 14 (NYT).

Defense Secretary Harold Brown, in a major move affecting naval and Marine Corps strategy, has tentatively decided to cut back the development of a new vertical takeoff jet fighter for use aboard ships and on land.

Pentagon officials said that Mr. Brown has ordered a \$66-million cut—more than 45 percent—in requests by the Marine Corps and Navy for continued development of the new generation of aircraft that can take off and land on a short space of carrier deck.

Mr. Brown disclosed his decision last week to senior officers of the Navy and Marine Corps and asked them to return by the end of the month with new cost studies of the plane before he makes a final decision for the fiscal 1979 defense budget.

A Pentagon official said that Mr. Brown's tentative decision, which has upset some senior officers in both services, was based on the defense secretary's view that the military "should take a more cautious route and not speed too quickly into a new breed of program."

Critical Decision  
The program involving the plane, called VSTOL, for Vertical or Short Take Off and Landing, was designed to serve as the cornerstone of the Pentagon's plan to shift the Navy's course from giant to medium-size and small carriers. Moreover, the plane enabled the Marine Corps to retain its own close air support and avoid leaning on the Navy or Air Force for assistance.

"At this point, any decision is reasonably critical as to where the Marines are going," said a senior Pentagon official.

Mr. Brown's decision coincides with the growing accident rate for the only short-takeoff plane now in service in the United States, the Marines' British-built AV-8A Harrier. Twenty-six of

the 110 Harriers purchased since 1971 have crashed and 10 pilots have been killed.

Yesterday, the Marine Corps deputy chief of staff for aviation, Lt. Gen. Thomas Miller, said at a Pentagon news conference that the Harrier jets remain "our number one priority item." He defended the planes, saying that 30 of the crashes were the result of pilot error, four were caused by plane material failure and two

were due to maintenance errors. Financial losses on the Harrier-Siddeley planes, which now cost \$3.4 million each, so far have totaled about \$60 million.

Although the Marine Corps is flying the Harrier, the plane has not filled the Navy's hopes for a craft that could take off at short distance and also carry a heavy load of rockets and bombs to battlegrounds far inland from a carrier.

### Government Workers Included

## House Unit Approves Formula To Cut Social Security Deficit

By Spencer Rich

WASHINGTON, Sept. 14 (WP).

A House Ways and Means subcommittee began an overhaul of the Social Security system yesterday by voting 6 to 2 to extend coverage to all federal, state and local employees. For now, however, it left out an effective date.

The subcommittee, headed by James Burke, D-Mass., focused on huge projected long-term deficits. It voted a formula for future retirees that would cause their initial monthly payments to rise substantially more slowly than under the current law and a bit more slowly than sought by the Carter administration.

The trend of future benefits in terms of purchasing power would still be upward, however, because the formula would allow future beneficiaries to share in increased productivity of the economy over the years, as reflected in rising wages.

Under the formula, a worker with average wages would retire with an initial monthly benefit worth about 43 percent of his Social Security-taxed earnings during the last year before his retirement. The Carter administration had sought to keep the figure at the current level of about 40 percent.

An unintended quirk in the existing law would have driven the figure to 67 percent by 2050 and bankrupted the system. Under the new formula, once a worker retired, his monthly benefit would be increased to keep pace with cost-of-living increases.

'Hold Harmless' Rule  
The new computation would go into effect in 1979, but under a so-called "hold harmless" rule no one retiring in the 10 years after that will receive lower benefits than he would have received under the old formula.

The new formula, if ultimately approved, would wipe out more than half the projected long-term deficit of the Social Security system.

If enacted into law, the provision covering government workers would bring billions of tax dollars into the Social Security system in the next few years in excess of any benefits paid to government employees—and thus help cure a serious short-run deficit facing the disability and old-age insurance funds. It might even make it possible to avoid any tax increases in the near future.

Subcommittee chairman Burke warned, however, that the legal and technical complexities of bringing into the system 2.4 million federal employees (who now have their own pension systems) are so great, and the time to rescue Social Security from its immediate problems so short, that the provision may have to be dropped later.

Spokesmen for the two firms also said that tests were being conducted to determine whether the soil fumigant, dibromochloropropane (DBCP), caused sterility in workers involved in its production.

The Dow spokesman said that tests already carried out on some workers at its Magnolia, Ark., plant showed some of the employees to be sterile or to have low sperm counts. Further tests will be undertaken to determine whether DBCP was responsible, he said.

A spokesman for Shell in Houston said that tests had been carried out on about a quarter of the workers involved in DBCP's production in Denver, and Mobile, Ala., but the "data to date is insufficient to draw conclusions concerning fertility."

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## posing Airbus

SCOW, Sept. 14 (UPI).—Soviet Union is not trying to block the landing of the ex-German Airbus in Moscow, it is seeking to keep the Aeroflot line competitive in agreement to increase of flights, a Soviet news-reporter today.

French Transport Minister Cavaillès has condemned the Soviet "discrimination" against the Airbus.

Mironov, chief of the Soviet Ministry of Civil Aviation, said the USSR has decided to let the Airbus fly to Moscow in November. But he said his proposal included changes so that "neither side nor the other side gain unilateral advantage."

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## Powell Apologizes to Percy For Rumor About Lance Critic

(Continued from Page 1)

he was handed a note at about 10:20 a.m. that Mr. Powell had telephoned him and he immediately left the hearing room to return the press secretary's call. He said afterward that he told Mr. Powell, "You have expressed your regret and I accept that."

But the senator said Mr. Powell did not expressly tell him he had found the rumors to be incorrect and added, "I think to clear the record he should be asked to clarify that."

Deny Having Plane  
Sen. Percy and Bell & Howell officials said the company does not have an airplane.

The senator also said, according to the Sun-Times account,

that he once boarded a plane of the First National Bank of Chicago which was invited to "check the interior," but he did not fly on it. And, he added, the bank was fully reimbursed for use of its facilities in his 1972 campaign.

Sen. Percy produced canceled checks which he said covered use of the bank's facilities.

Sen. Abraham Ribicoff, D-Conn., chairman of the Government Operations Committee, which is investigating Mr. Lance's activities, said Mr. Powell's actions were "stupid."

But Sen. John Chafee, R-R.I., said they appeared to be White House "dirty tricks" aimed at "sifting fact-finding and serious inquiry" into Mr. Lance's affairs.

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Phone, sign, and go.



## To Question Tongson Park in Korea Seoul Suggests Visit by U.S. Prober

By William Chapman  
SEOUL, Sept. 14 (UPI).—The foreign minister indicated today that his government would arrange a meeting between Tongson Park and U.S. congressional counsel Leon Jaworski if Mr. Jaworski came here to question the South

Korean businessman, who has been indicted in the United States.  
Foreign Minister Park Tong Jin told newsmen that his government could "recommend" that Tongson Park meet with Mr. Jaworski if the investigation of the U.S. lobbying scandal moved to Seoul.

That was taken to mean that the government would assure Tongson Park's presence even if the 42-year-old rice dealer objected to being questioned by the House Ethics Committee's counsel.

The foreign minister's remarks, delivered before he left for Washington, were regarded as one more move in the government's efforts to solve the dispute over Tongson Park's testimony without forcibly returning him to the United States.

Seoul's hope of resolving the impasse by having Mr. Jaworski

come here was first broached by the foreign minister in a news conference yesterday and in stories in local papers. At the time, there was no indication that the government would play any role in producing the businessman-lobbyist's testimony.

The government previously had taken a hands-off stance, insisting that the affair concerned only Tongson Park and the United States and did not involve South Korea officially.

Tongson Park was indicted by a Washington grand jury on charges of conspiring with two former Korean Central Intelligence Agency chiefs to influence congressmen to assure continued U.S. aid to South Korea.

Besides a Jaworski mission to Seoul, the government suggested another option — arranging a joint U.S.-Korean inquiry with the results to be furnished to Washington.

### Fears for Aid

The compromise offers were made amid rising concern that the Tongson Park affair might affect legislation involving continued U.S. aid to this country.

There was no indication from government sources what kind of a forum would be established for Mr. Jaworski's suggested interview of Tongson Park. The businessman has appeared before the public prosecutor here on three occasions.

It was expected that the foreign minister would discuss details of a possible Jaworski trip during meetings with Secretary of State Cyrus Vance in Washington.

## U.S. Asks Zaire To Spare Nguzu

WASHINGTON, Sept. 14 (UPI).—U.S. officials said today that the government has asked President Mobutu Sese Seko of Zaire to spare the life of his former foreign minister, Nguzu Karl-Boud, 39, whom a Zairian military court yesterday sentenced to death for treason. He was accused of withholding from Mr. Mobutu a tipoff he had received before Zairian dissidents invaded Shaba Province last March.

An official said that the State Department has made its concern known several times through the U.S. Embassy in Kinshasa.

Plan by the EEC  
BRUSSELS, Sept. 14 (AP).—The European Economic Community's Council of Ministers has asked President Mobutu to show leniency toward Mr. Nguzu, a spokesman said today.

Jewels Found in Portugal

PORTO, Portugal, Sept. 14 (Reuters).—Police said today that they had recovered about 40 jewels in a bag deposited at a railroad station here by a Spaniard arrested in connection with last month's robbery of Spain's Oviedo Cathedral.

## 32 on U.S. A-Sub Held on Drugs

HONOLULU, Sept. 14 (AP).—U.S. Navy officials here have confirmed that 32 crewmen of the nuclear-powered Polaris submarine Sam Houston were found in possession of marijuana a month ago.

Whether the marijuana was found aboard the submarine or at a shore facility was not disclosed. The crewmen involved were not tried by court-martial, a spokesman said.

The Sam Houston, armed with 16 Polaris A-2 missiles, is based at Guam with two crews of about 140 men each which alternate on three-month tours of duty.

## Chicago Students Protest Busing

CHICAGO, Sept. 14 (AP).—More than 300 students were suspended yesterday after they walked out of Bogan High School to protest the busing of black elementary students under Chicago's voluntary desegregation plan.

Thirty-four persons, mostly Bogan students, were arrested, police said.

Police said that 400 to 500 students left Bogan at noon and marched through nearby streets. Many went to nearby Stevenson Elementary School. Those who refused orders to disperse were arrested, police said.



A man wades through receding floodwaters in the Leeds district of Kansas City, Mo.

## Flood Recedes in Kansas City, Leaves 19 Dead, 15 Missing

KANSAS CITY, Mo., Sept. 14.—The flood here receded today as swiftly as it rose, leaving at least 19 dead, 1,200 homeless and property damage estimated at more than \$30 million. The fate of at least 15 persons was unknown.

The 12 inches of rain which fell in 24 hours Monday left devastation in the luxury shops of the city's Country Club Plaza, tedious cleanup needed along Brush Creek and the Blue River and ravaged farmlands to the north and east.

Gov. Joseph Teasdale asked President Carter to declare five western Missouri counties as federal disaster areas. He estimated damage in his state alone at \$30 million.

"I believe the President will, in my judgment, react quickly to our request," he said. "We'll never recover from this tragedy, but I believe we will get quick federal help."

In Washington, Sen. Thomas Eagleton, D-Mo.,

urged Mr. Carter in a letter to take swift action on the request.

The damage crossed state borders. The governor of Kansas, Robert Bennett, said that it will take some time to assess damage in his state. He sent Mr. Carter a telegram advising that requests for federal assistance are likely.

Gen. Teasdale said that damages to roads, bridges and school buildings alone will be \$10 million.

Some families had to leave their homes below Winwood Lake in a northern section until crews that were placing sandbags saw the water recede.

Six hundred residents were evacuated from an apartment house when leaking gasoline from 300 submerged cars in a basement garage created a fire hazard. Pumping crews worked around the clock in two public underground garages at the Country Club Plaza, fearing they might find more dead in the cars trapped there by the surging waters.

## S. African Aide Backs Police in Biko's Death

PRETORIA, Sept. 14 (UPI).—Minister of Justice James Kruger today defended security police treatment of Steve Biko and declared that the death of the founder of Black Consciousness in South Africa "leaves me cold."

The minister told a congress of the National party in Pretoria about Mr. Biko's death, adding,

"I am not pleased nor am I sorry, Biko's death leaves me cold."

Mr. Biko died in detention Monday night after a hunger strike of eight days. His death brings to 19 the number who have died in detention since March of last year.

Mr. Kruger told the audience, which laughed during his address, that there were no irregularities during Mr. Biko's arrest, detention or medical treatment.

"It seems to me that what had to be done was done," he said. "If a man goes on a hunger strike, you cannot force him to eat. That is his democratic right," the minister declared.

Chris Venter, a delegate to the congress, later congratulated the minister for being "so democratic that those who wanted to starve themselves are allowed to do so."

The black community was shocked today as news of Mr. Biko's death spread. Sporadic unrest was reported in Soweto but a sense of grief dominated the anger.

### Black Sash Vigil

Members of the white women's anti-apartheid group, the Black Sash, began a vigil in Johannesburg in front of the University of Witwatersrand, protesting the death of Mr. Biko.

Lone members stood in front of the university in hour-long shifts, holding a placard reading, "Steve Biko is dead. Why?" The vigils are alone in an attempt to protest without violating the Riotous Assemblies Act, which prohibits gatherings of as few as two persons.

The Rev. Sam Buti, president of the South African Council of Churches, said in a statement in Johannesburg that Mr. Biko's death "only deepened the miasma of suspicion and bitterness" sur-

rounding deaths in police custody. The statement said that the death "is one of the most horrifying pieces of news to emerge from the sinister apparatus which keeps hundreds of people in detention without trial."

Charles Ntshele, acting president for the Union of Black Journalists, said in East London, on South Africa's southeast coast, in reaction to Mr. Kruger's attitude, "This shows Mr. Kruger and his system for what they are — and all of it stinks."

"The rot will not be found among the likes of Steve Biko, but among the prosecutors of those whose only crime is to oppose the inhuman system of apartheid," Mr. Ntshele said.

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## Negotiations Possible

## Patriotic Front Rejects Part Of Peace Plan for Rhodesia

LUSAKA, Zambia, Sept. 14 (UPI).—Rhodesia's militant Patriotic Front rejected elements of U.S.-British proposals for a transfer of power to a black majority government today, but said that the plan could form the basis for further negotiations.

The Patriotic Front, under the joint leadership of Joshua Nkomo and Robert Mugabe, said in a statement that the guerrilla war would go on until "genuine independence" was achieved.

Mr. Nkomo, who leads the Zambia-based Zimbabwe African People's Union wing of the guerrilla force, said that the Patriotic Front objected to the powers of the proposed resident British Commissioner, to the proposed retention of Rhodesian police and Army units, and to the proposed United Nations truce force.

The announcement of the Patriotic Front position was made 14 days after the plan was presented to Prime Minister Ian Smith.

"We do not regard the resident commissioner as a neutral or impartial officer," Mr. Nkomo said.

### 'Colonial Powers'

"It is a straightforward colonial administrator representing the system we are fighting against. We cannot agree to his assumption of absolute colonial powers," he said.

"The armed forces of the Rhodesian regime must be dismantled in toto. This includes the police, who are a paramilitary force," he said. "We are prepared to discuss our forces some elements from the existing force."

Mr. Nkomo also criticized the proposed use of a United Nations force during a transition period

and said that it would "frustrate the liberation struggle."

Mr. Nkomo urged the British government "to make the necessary improvements to its proposal to expedite a guaranteed transfer of power."

## IHT, N.Y. Times Are Accused by Projected Paper

NEW YORK, Sept. 14 (NYT).—The Trib New York, the publishing company that is planning a new daily newspaper called the Trib, charged yesterday that the New York Times Co. and the IHT Corp., a part-owner of the International Herald Tribune, conspired to prevent the Trib from publishing.

The Trib New York is said to have filed a suit against the Times and the IHT Corp. last month. The suit charges that the name, Trib, is an infringement of copyrighted names the New York Herald Tribune and the International Herald Tribune.

The International Herald Tribune is owned jointly by the IHT Corp., The Times Co. and Washington Post Co. How IHT Corp. owns the copyright, the name.

The Trib charges that Times has suppressed news of Trib and tried to intimidate potential advertisers by asking if whether they planned to place in the proposed morning newspaper.

Barry McCarthy, a spokesman for The Times Co., issued a statement denying allegations. The Times had engaged "in action for the purpose of preventing the Trib New York from publishing a daily morning newspaper in the New York area."

The Times ran a news article last winter when the Trib's plan for publication first became known.

The Trib contends that trademark infringement as brought by IHT Corp. was used into with the sole purpose of preventing the Trib New York from publishing and compete with The New York Times.

## Malagasy to Shut Unit

NAIROBI, Sept. 14 (AP).—Malagasy Republic is closing its consulates as part of a 12 economy drive, it was announced today.



James Kruger

## Second Front Along Border

## Guerrilla Clash Mounts in Rhodesia's West

By Jack Foise

WANKIE, Rhodesia.—The five-year-old guerrilla conflict in Rhodesia has become a two-front war.

The war in the east, along the border with Mozambique, where the majority of black insurgents have taken refuge, has dominated the news up to now and has involved the majority of Rhodesian troops.

But conflict is escalating in the west, along the border with Botswana and Zambia. Like Mozambique, these nations are black-ruled and support the Rhodesian Black nationalists.

Incidents in the western conflict are announced in Rhodesian military communiqués but seldom with elaboration. Only when there is an atrocity attributed to insurgents are correspondents allowed on-the-spot coverage.

### Counterclaims

Counterclaims of atrocities and invasions by Rhodesian troops are sometimes issued in the Zambian capital of Lusaka and the Botswana capital of Gaborone.

But, for the first time, a detailed account of the expanding war in the west was given here recently by a Rhodesian police inspector. He told of increasing guerrilla activity in the Wankie district in his testimony at an inquest into the terror killings of two Catholic nuns and a white construction worker.

The police inspector, who under Rhodesian court rules cannot be identified, said that the principal guerrilla infiltration routes from Zambia lay between Victoria Falls and the southern end of Lake Zambia. Traveling in groups of 10 and armed mostly with the same AK-47 automatic rifle used by the Viet Cong in Vietnam, the guerrillas usually move through sparse bush country to reach an assembly point about 100 miles inside Rhodesia.

In the area of the small town of Lupane, he said, they avoided Wankie, a mining town where there is a military air base and ground troops, and preyed, he said, on the isolated kraals (homes of black rural families). He said they slaughtered cattle, demanded mealie (ground corn) and lectured the people about their duty to support the black nationalist cause. If they resisted, he went

on, the occupants of the kraal were killed.

The increased infiltration and the need of the guerrillas to live off tribal people during the trek to the Lupane assembly area, accounted for the increase in terrorist acts, the police inspector testified. He said that in the last 30 days of August, in the Wankie district a black man was murdered, two schools were closed through intimidation, the occupants of 13 buses and 7 rural stores were robbed, and two black men were abducted. One of them was bayoneted and left for dead, he said.

From Lupane, the inspector testified, the guerrillas are given new orders and then disperse to travel into the tribal area of Matabeleland to recruit followers and kill blacks who work for the government or other white employers.

All these guerrillas, he said, belong to the armed branch of the Zimbabwe African People's Union, which is headed by Joshua Nkomo.

Black guerrilla attacks on Rhodesian whites are still small in scale. The strategy seems to be to intimidate the black workers into leaving the white farmers, forcing the whites to quit trying to operate their large farms because of insufficient help.

This accomplishes the guerrilla objective of *chimurenga*, liberation from the white man, without facing him in a fight. All white farmers in Rhodesia carry guns, and their homes usually are protected by foreign mercenaries or Rhodesian Army reservists.

When there are hit-and-run

attacks by guerrillas against whites, they are often against remote church missions. Catholic missionaries particularly seem to be targets. This is puzzling because Catholic Church people in Rhodesia have a long record of sympathy with the national cause. They have a "Catholic Commission for Justice Peace" office in the Rhodes capital of Salisbury, which issues reports on alleged Rhodes Army mistreatment of blacks.

Several theories about the attacks on church missionaries have been advanced, but none is totally valid.

On theory is that the Catholics are among the last mission churches to turn over positions in rural areas to black priests. Thus the whites stay on remain a symbol of white domination and be "enemies of the black revolt" in Rhodesia.

Another theory is that it is custom, augmented by incense, incantation, and that the man one must kill the son who belittled him as a youth. Thus, some sight by a teacher remembered from mission days, could become the mo for revenge.

### No Pattern

There is no pattern for behavior of guerrillas when it comes in contact with missions. In some missions, guerrillas asked priests to let them take of the church sacra. Others have fiercely denoted the church.

Motive was not at it is however, when the inquest convened here to determine cause of death of the Catholic killed a month ago in two guerrilla attacks on missions in Lupane area.

At St. Paul's Mission, a white woman doctor was shot at with a nursing sister.

At the Regina Mundi Mission five white priests and nuns, a white building contractor working at the mission were lined for assassination. The contractor drew a pistol and shot it with the terrorist leader. Three were killed. The shooting loved the intended victims scatter, and the guerrillas

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## mal, Open Government

### per Volta Military Regime Pragmatic Amid Poverty

By David Lamb

ADOUKOU, Upper Volta, Sept. 14.—Hard-working and ering, the people of this isolated land endure poverty without shame. They, like those of their African countries, have projects, personality cults, and to build a national spirit, it is unpretentious and in, acting like what it poorest of the poor. Women earn meager in the marketplaces, ups of colored water or in the fields. The re-cheated men cultivate as have been used for us.

Volta, a landlocked 'can country, seems to a sense at all economic-ly a per capita income than \$100. It can afford the only one in 10 of its The literacy rate is a 5 per cent, there is a doctor for every 22,000 and the chances are one that a child will not the age of five.

Primitive Diet as stricken by drought, who no longer can buy are turned to a diet of ad leaves. In Ouagadougou, a place with busy streets, furnace-like of tiny mud homes, it is al to see a man in rags

competing with vultures for a meal of garbage.

The subsistence economy provides a living diet for most people, the streets of Ouagadougou are bustling with bicycles, motorbikes and donkeys pulling carts loaded with firewood, and the Volians exude an unmistakable dignity.

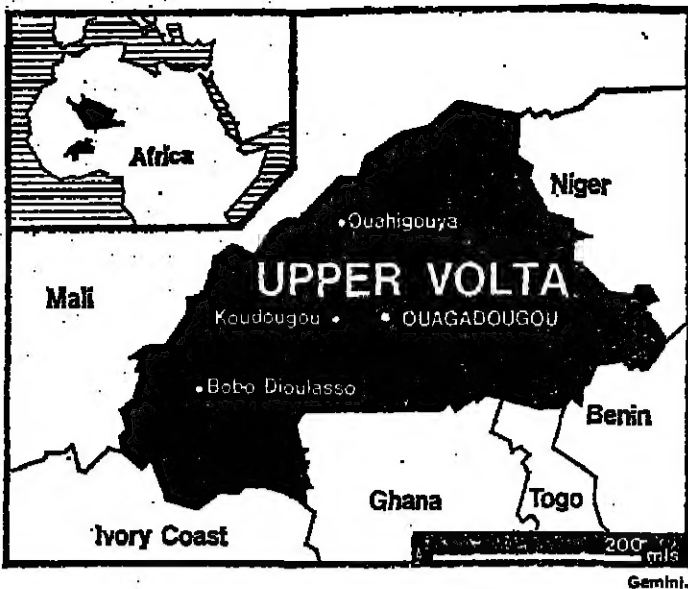
The dogged, modest spirit of Upper Volta is a reflection of its President, Maj. Gen. Sangoure Lamizana, 61, a former officer in the French Army whose cheeks bear ritual tribal scars.

Gen. Lamizana's government, probably the most liberal military regime in Africa, undertakes no lavish schemes and constructs no grandiose buildings. The President refuses to live in the presidential palace, choosing to remain in the modest home where he lived 11 years ago when he was the army's chief of staff.

Informal Atmosphere

Even senior civil servants ride to work on motorbikes and most ministers return to their village mud homes each weekend. In an atmosphere of informality unknown in most diplomatic circles, ministers often arrive unannounced at the home of U.S. Ambassador Pierre Graham to have a drink and chat.

Upper Volta's austere budget is balanced at \$10 million. When France offered to send equipment to Upper Volta during its 1974 border dispute with Mali, Gen. Lamizana requested not guns



and tanks but trucks to carry out civil action programs.

The country's 6 million citizens enjoy personal freedom unknown under most military rulers. Although there is no national assembly or constitution, the Volians have, and exercise, their rights of freedom of speech and public assembly. The independently owned daily newspaper, the *Observer*, regularly criticizes the government.

There are no known political prisoners, and the unions are free to strike, which they have done—specially in December, 1975, when a general strike forced Mr. Lamizana to grant major political

concessions as well as wage increases and tax cuts.

Against this background, a constitution has been drafted and Lamizana—who came to power 11 years ago in a bloodless civilian coup—has agreed to return the country to civilian rule sometime after the crops are harvested in November.

Mr. Lamizana has told confidants that he plans to retire. He is not optimistic about a civilian government's chances for success. If it fails, the army, which has grown from 2,000 to 9,000 members since the Mali dispute, will be ready to step back into authority.

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## Freeing of Embezzler Becomes Israeli Scandal

By Yuval Elizur

JERUSALEM, Sept. 14 (WP).—Prime Minister Menachem Begin's personal intervention on behalf of a former banker sentenced more than two years ago for misappropriating \$47 million is rapidly snowballing into the first domestic scandal of Israel's new government.

The 12-year sentence of Yehoshua Benzion, 52, was commuted two days ago by Israel's President, Ephraim Katsir, on Mr. Begin's recommendation in his capacity as acting minister of justice.

He based his plea to the President on the finding of two of Benzion's personal physicians, who argued that their client is a very sick man and that prison conditions might endanger his life.

Benzion was the managing director of the Israel-United Bank when it collapsed in July, 1974. When the bank was taken over by the Bank of Israel, the country's central bank, it became apparent that Benzion, whose family had control of the defunct bank's stock, used \$47 million of its funds as collateral given to Swiss banks for loans taken in the name of companies registered in Vaduz.

The Israeli Supreme Court upheld the sentence meted out by a lower court, which found Benzion guilty of misappropriating the money.

On his release from jail, Ben-

zion announced he had new evidence to prove his innocence, and would demand a new trial to clear his name.

Several editorials in Israeli newspapers predicted the case will hurt the popular image of the Begin government, which had campaigned on a law-and-order platform accusing the previous government of political corruption.

Mr. Begin himself issued a statement justifying his action, saying: "Only a person whose motives are questionable could object to my initiative in the Benzion case."

The Prime Minister's initiative immediately drew fire from the Labor party opposition, which charged that he was motivated by Benzion's political leanings and contributions to rightist causes.

The Labor party announced it will seek a special session of the Knesset (parliament), to discuss

the case. Labor speakers said Benzion won his release because he contributed heavily to Gush Emunim, the nationalist religious group advocating Jewish settlement in the occupied territories.

Mr. Begin's action was also criticized by jurists, reportedly including Supreme Court justices, as political intervention in the due process of law.

The former justice minister, Haim Zadak, who had repeatedly turned down requests to recommend Benzion's release, said last week in a television interview that Mr. Begin's action constituted infringement of the principle of equality before the law.

The former minister of police, Shlomo Hillel, revealed in a radio interview that Mr. Begin, while still leader of the opposition, had intervened on Benzion's behalf on several occasions. "In view of his personal interest in the case in the past, Begin should have disqualified himself from making any recommendation to the President on the prisoner's release," Mr. Hillel said.

#### Medical Report

Public criticism of Benzion's release intensified after Communist members of the Knesset published a confidential medical report that concluded that, while Benzion suffers from a lung and heart condition, his health is not so bad that treatment could not be given in jail. The report was submitted last month to the statutory committee on medical

releases, which makes recommendations to the minister of police.

Mr. Zadak said that Benzion's lawyers had made 13 pleas for medical release up to November, last year.

According to Israeli law, a prisoner can be released if his sentence is commuted by the president, who acts upon the recommendation of the minister of justice, or he can be released by the minister of police if a statutory committee finds that chronic illness dictates such action on medical grounds.

In the Benzion case, critics argued, Mr. Begin, as acting minister of justice, interceded on medical grounds despite the fact that the law had created a totally different procedure for such cases.

#### Saccharin Warning Pushed in Congress

WASHINGTON, Sept. 14 (AP).—The Carter administration is pressing Congress to support health warnings on products containing saccharin.

Administration officials urged the Senate yesterday to pass legislation requiring the warnings on product labels as in advertising. Canadian studies have shown that saccharin, widely used in diet foods and diet sodas, causes cancer in animals and may cause bladder cancer in humans.

## News Analysis

### Chinese Diplomats Making Pertures to Eurocommunists

By Malcolm W. Browne

RADE, Sept. 14 (NYT).—It is here believed that China, backed on a policy of involvement in European and that Peking's regard to Yugoslavian President last month was a any step.

Private conversations, Chinese diplomats here and in other European capitals have partly expressed growing interest in the so-called Eurocommunist parties that have declared themselves independent of Moscow. The Yugoslav party is bent among them.

Chinese have recently been diplomatic leaders to such parties and other politicians in Europe, in sharp contrast to Peking's erstwhile to all forms of "revisionist Peking leadership un-

between the Yugoslav and Chinese parties.

Among Communist nations, party ties are much more important than the usual diplomatic relations.

Such a development would represent an enormous change in Peking's international posture.

Mao Regime's Hard Line

Traditionally, the government of the late Chairman Mao Tse-tung regarded President Tito as one of the worst renegades Communism had seen, and the Sino-Soviet split had little immediate effect on this view. In June, 1958, China's official newspaper, the *People's Daily*, wrote of President Tito's quarrel with the rest of the Communist camp and described him as "a dwarf kneeling in the mud and trying with all its might to spit at a giant standing on a lofty mountain."

While attitudes in China have plainly changed, Albania makes it clear each day that its own views have not.

Officials at the Albanian Embassy here recently telephoned Western newsmen at their homes to announce that they wished to distribute a particularly important policy paper, which would be published simultaneously in Albania's party newspaper, *Zeri i Popullit*.

The policy paper turned out to be a reprint of a speech delivered in 1963 by the Albanian party leader, Enver Hoxha, entitled "Khrushchev Kneeling Before Tito."

### Bombs Injure 3, Cause Damage in 3 Mexican Cities

MEXICO CITY, Sept. 14 (AP).—A score of bombs exploded early today within a three-hour period in three Mexican cities, causing extensive damage and injuring at least three persons, including a suspect, police said. Several other bombs were deactivated.

The bombs exploded in Mexico City, Guadalajara and Oaxaca in the south.

Police in Oaxaca said that a pamphlet they found attributed the bombings to a terrorist group known as the "Union of the People."

Police said that most of the bombs exploded in government offices, department stores or the offices of U.S. companies.

In Mexico City, a bomb caused extensive damage to the building housing the Federal Justice Tribunal. Others exploded at the General Motors assembly plant and the headquarters of the Confederation of Chambers of Commerce.

### Pakistan to End Emergency State

LAHORE, Pakistan, Sept. 14 (Reuters).—The state of emergency put in force in Pakistan during the five-year regime of ousted Prime Minister Zulfikar Ali Bhutto will be lifted Sunday, a political leader said today.

Prof. Ghafur Ahmed, secretary-general of the nine-party Pakistan National Alliance, said that military ruler Gen. Mohtam-uz-Zia ul-Haq told a meeting of political leaders yesterday that the emergency would end Sunday.

Addressing a press conference, Prof. Ghafur also quoted Gen. Zia as saying that the sweeping emergency regulations limiting fundamental rights also would be abolished.

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### ish Actress After Fall

TD, Sept. 14 (AP).—San-rowski, 18, a promising film actress, died today injuries from a fall from the fourth-floor apartment two weeks ago, said.

Sanzrowski performed in 10 films. Parents said that the actress as she was waters on the balcony of me.

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## Dayan's West Bank Idea

At face, Israeli Foreign Minister Moshe Dayan's idea of bestowing civilian autonomy on the occupied West Bank, in a negotiated peace agreement, is a nonstarter. It is a formula to relieve Israel of the burden of civilian administration while preserving for it the security presence and the opportunity for Jewish settlement to which Arabs object. Mr. Dayan would be "selling" moderate Arab West Bankers hardly more than the degree of self-government that Israel may yet decide to give them for free anyway as bait and reward for edging away from the Palestine Liberation Organization. Just why Arabs would "pay" for a result so much at odds with their goals of reclaiming war-torn territory and establishing a Palestinian homeland is unclear.

Soggy as the idea is, however, the context in which it's being presented gives it some interest. Last month, the United States, figuring that Palestinian representation was the key to the door of a reconvened Geneva peace conference, made a series of imaginative and generous overtures to the PLO. The Israelis protested loudly. But, kicking unprecedented opportunity away, the PLO went into its all-or-nothing posture and rejected the U.S. overtures. The upshot was the collapse of the administration's central effort at inducing mutual Israeli-Palestinian compromise. The Carter administration on Mon-

day reasserted its determination to continue this effort but did not indicate just how it intends to get around the August impasse. Amid this diplomatic desolation, the Arabs have come forward only with suggestions for a tougher U.S. squeeze on Israel. The Israelis are now coming forth with their own draft peace treaty, including the West Bank idea. Mr. Dayan is due in Washington shortly to present it.

Is this the time for pausing, for accepting the fact that the administration's quest for a comprehensive settlement has been derailed, at least for the time being; a time for seeking less ambitious approaches in order to reestablish momentum? Mr. Dayan's West Bank idea at least has the advantage of building on the substantial practical co-existence generated by his earlier idea of maintaining "open bridges" across the Jordan River. "My formula is not a wonderful solution," he says, "but all the others are by far worse." Notwithstanding the State Department's words on Monday concerning the importance of Palestinian representation at Geneva, it is not evident that the administration has recovered enough from its frustration of last month to offer a productive alternative of its own. So Mr. Dayan's proposal is worth examining as a starting point. There will be time for others to show what feasible improvements they can offer.

THE WASHINGTON POST.

## U.S. Tax Reform: A Sacred Tree

Since the name of our system is capitalism, it is not surprising that capital has a certain sanctity, and that dipping into it is a Victorian sin. In taxation, too, capital has its privileges. "We tax the fruit of the tree, but not the tree," according to a traditional interpretation of the law that distinguishes between income and capital. Consistently, the United States has taxed the tree of capital less than its fruit.

That preference for capital—and the lower tax rate for gains on capital—is the single most complicating element in the U.S. Tax Code. It must be dealt with if there is now to be any genuine tax reform. Nearly 100 sections and subsections of the code are taken up with definitions of capital gains. Houses, farms, businesses, factories, even trees are all capital assets; when they are sold at a profit, that profit is a capital gain. And whether that gain comes to an individual or a corporation, it is taxed at a lower rate than ordinary earned income.

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Consequently, generations of lawyers and accountants have devoted themselves to devices that turn income into capital gains. They have managed, in the process, to cause major distortions of the economy, for important investment decisions are regularly made according to the tax code instead of the marketplace.

The lower tax rate for capital gains has achieved an importance almost as exalted as that accorded to capital itself. But Congress has been chipping away at it. The tax on capital gains used to be 35 per cent, now it is at least 35 per cent and, with the enactment of minimum taxes can run as high as 49 per cent. Tax reformers now propose a top tax rate of 50 per cent on all income, so there would not be any dramatic difference if the capital gains preference were eliminated. And that is what we advocate.

Elimination of the capital gains preference would create some problems. But they can be solved.

One major criticism of taxing the gain on

assets is that when inflation erodes the dollar, the gain is only illusory. For example, a house purchased for \$20,000 in 1950 and sold for \$49,800 today would show a gain of \$29,800, and that income would be taxed. But \$49,800 is worth no more now than \$20,000 was then. In real dollars, there is no profit. So, ideally, there would be no tax. If inflation persists, it may become necessary to index the basis of a capital asset, to move its "cost" up with inflation.

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A second issue: If the distinction between ordinary income and capital gains is removed, then capital losses would also lose their distinct status. At present, capital losses may be charged off against capital gains in computing taxes. If there are no gains, then a maximum of \$2,000 a year may be charged against other income. Obviously, consistent reform requires treating capital losses the same way we treat capital gains.

There are other practical problems: solving them probably will require some exceptions. Homeowners now have a fixed period in which to reinvest the proceeds from the sale of one house in another, without paying a tax. That "rollover" provision may have to be continued, if patterns of housing are not to be disrupted.

Many businesses have made assumptions about their plants, equipment and depreciated assets that are based on current tax laws. They will need a period of adjustment, perhaps five years, in which to revise those plans. If, in the course of overall reform, corporate tax rates are reduced the adjustment to a simpler system may not be that difficult.

Assuming these adjustments can be made, more or less smoothly, it can still be argued that the capital gains tax ought to be retained because it is an important stimulus to investment. But there is a simple road to that end. Congress may well wish to encourage investment. It can—and should—do so directly, and not through the masked operations of an encrusted tax system.

THE NEW YORK TIMES.

## International Opinion

### China's Open-Door Policy

It is appropriate that the Chinese leadership should have affirmed its policy of closer contact with the outside world through a document issued by the State Planning Commission. For over 30 years China's economic planners have had to face constant disruption. Ever since the great leap forward in 1958, economic policy has been buffeted by political campaigns culminating in the upheaval of the Cultural Revolution. Thereafter recovery has been fitful, with the tempo of political struggle constantly being whipped up. As a result all those concerned for orderly economic progress became united in opposing the "continuing revolution" and those political attitudes of which the "Gang of Four"—and Mao Tse-tung himself, for the most part—were the champions.

That goes a long way to explain the unity of the present leadership in putting the

Chinese economy first and burying the political irrationality associated with the Cultural Revolution. Differences of personality and generation obviously exist in the team approved by the 11th party congress. It is a group that is still marked by the haphazard political circumstances of the past decade. But when it comes to the direction that China should take domestically and the objectives that should be given priority, these differences should play little part.

Indeed, nothing so forthright has before now marked a declaration of Chinese policy—and the document is unusually free from jargon. In admitting that China needs to learn from the outside world and should not hesitate to do so, the xenophobia that came to the surface during the Cultural Revolution has been set aside. Mr. Teng Hsiao-ping's hand in the present outlook hardly needs emphasis.

—From the Times (London).

## In the International Edition

### Seventy-Five Years Ago

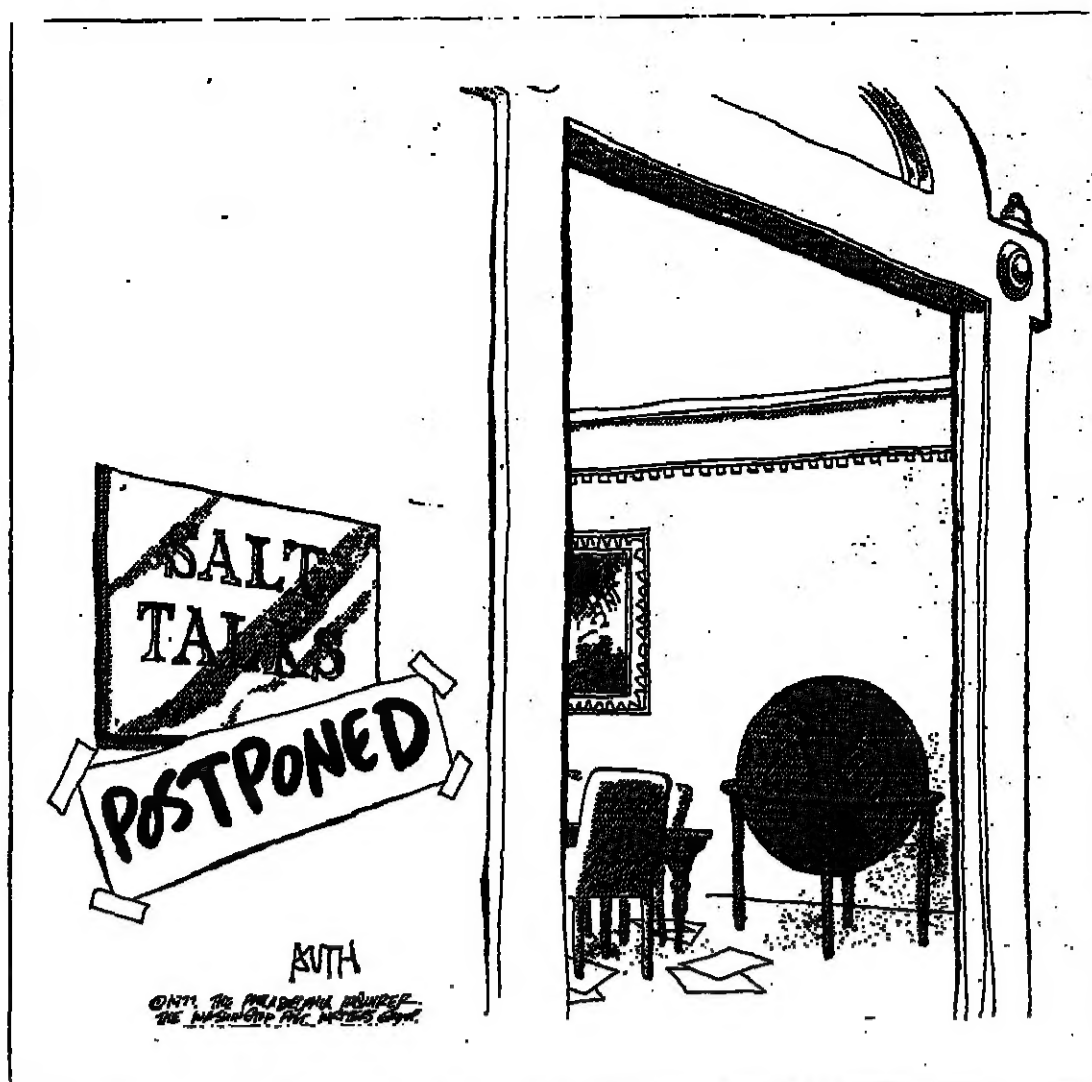
September 15, 1902

VIENNA—Some stir has been caused in fashion circles here by the threatened invasion of U.S. dressmakers who intend to open premises here and in other cities in order to conquer Europe for U.S. style. Leading dressmakers, however, do not seem to be disturbed by the prospect. Americans, they say, sell their articles to the masses from a fixed model, thus producing uniformity, whereas Vienna houses deal in specialties.

### Fifty Years Ago

September 15, 1927

NICE—Isadora Duncan, the famous dancer, was killed here this afternoon when she was thrown from the running board of a motorcar which she was trying to enter before purchasing. The accident happened on the Promenade des Anglais, directly in front of her studio. Miss Duncan was about to step into the car when the chauffeur started the motor, and a shawl that she was wearing got caught in one of the wheels. She was thrown to the ground and killed instantly.



## When Science Has to Be Political

By Daniel S. Greenberg

WASHINGTON—An old jest has it that you can tell the scientists from the politicians by the way they respond to a statement. The scientists wonder whether it is true, the politicians wonder why it was made.

This fantasized difference between the two professions is worth keeping in mind because it reflects a confusion that produces mischief in science-government relations. The confusion arises from the antiquated notion that research—even government-financed research, which accounts for most of it—is mainly concerned with acquiring knowledge and, therefore, deserves immunity from the election returns. This notion explains why dismal foreboding is voiced any time an administration makes use of its authority to replace an inherited research director with its own candidate.

### Director Fired

Such is the case now with Interior Secretary Cecil Andrus' dismissal of Vincent R. McKelvey, as director of the U.S. Geological Survey, a 98-year-old agency with a reputation for scientific integrity. Andrus said that McKelvey, a Nixon administration appointee who has been with the survey for 37 years, would be replaced in conjunction with plans to expand the agency's activities in environmental and energy affairs. Whereupon The New York Times reported that "administrators of the survey... charged that this was an attempt to politicize a federal organization that is basically scientific in nature."

Now, the first thing to recognize is that to look upon any contemporary federal agency as "basically scientific" is akin to regarding professional football as basically a body-building enterprise. Science and technology are too deeply woven into the federal enterprise to the amount of \$24 billion a year—for any respect to be given to the idea that they can or ought to be detached from the values and priorities of a particular administration. The Geological Survey, for all of its undisputed scientific process, is a principal government instrument for gathering factual data in the politically rolling areas of energy, water and mineral resources; and if the interior secretary wants his own chosen candidate to preside over that sensitive task, it is difficult to see why he should be prevented from doing so. Outside the government's research agencies, such shifts routinely take place without evoking high-minded distress. Why, then, the outcry when a research administrator gets sacked, as was also the case this year when David Sencer, director of the Center for Disease Control, was dismissed by the secretary of Health, Education and Welfare?

### The Answer

The answer is that a lot of people in and around the scientific community assume there is an incompatibility between maintaining scientific integrity and deliberately focusing research resources on political ends; that the mating of science and politics inevitably produces Lysenkoism. Furthermore, it is common for them to assume that the political scientist comes equipped with immunity against political manipulation, when, in fact, political innocents, scientific and otherwise, are often easy prey for political manipulators.

In regard to the Geological Survey, it would indeed be deplorable if that much-depended-upon agency were to be pushed into judging resource estimates, one of the unstated fears behind the current outcry. However, the solution, as in all other branches of government, would be to set up a mighty howl. In that respect, a manipulated research agency is no different from any other agency. But that problem, to the extent that it may lie ahead for the survey, exists apart from efforts by a relatively new administration to shake up an old line, traditionally conservative research organization in an era when aloofness from worldly turmoil is neither possible nor desirable.

Scientists and politicians often speak approvingly of the "depo-

liticalization" of research, which is what HEW Secretary Joseph Califano did when he announced that a Ford appointee, Donald Fredrickson, would be retained as director of the National Institutes of Health.

Unfortunately, "politics," and its converse, has had almost all its specific meaning beaten out of it by careless and extravagant use, and now covers everything from the above-board electoral process to dirty dealings at the office level.

However, in its pure sense—as the science and art of government—politics should not be shunned or denigrated; nor is there any reason why the research enterprise, which is so beautiful of its effect on the body politic, should clamor for detachment from politics.

## A Pennant to Solve an Urban Crisis

By James Reston

NEW YORK—Question—I've come to New York to review the urban crisis. How's it going? Answer—Just now reaching the critical stage in New York, Boston and Baltimore. Other cities seem to be immune.

Q—How would you describe the symptoms? A—Well, most people in the affected urban areas just seem a little nutty. I would describe it as a form of acute paranoia marked by the oddest public expressions of deep affection and savage hostility.

Q—How very odd. How do they demonstrate these contradictory sentiments? A—By gathering together every night or so and shouting and shaking their fists and calling people vicious names. Also, I believe that in spasms of acute tension some of them have been known to drink intoxicating beverages.

Q—This is serious. Could you

give me an example of what sort of things they shout?

A—Not in a family newspaper. Q—Do you have any rational explanation of what might have caused such strange behavior? A—Here in New York, it is, I believe, the result of deep yearnings long denied—one might almost say of unrequited love.

Psychiatrists are in general agreement that when a community accustomed to spectacular success suffers a series of reverses, it may be patient for a time, but when adversity persists over a number of years and disappointment turns to humiliation, it ultimately reacts in emotional and even riotous ways.

Q—I see, and think I understand. You mean a New York crisis of money, crime, unemployment, flight of business, a rejected mayor, no heroes, and a lot of politicians who don't agree on anything?

## Letters

### Airline Overbooking

May I ask whether anything could be done to protect the consumer against airline overbooking at an international level?

To give only one of many examples experienced: My wife, son and myself had a confirmed booking on an airline from Athens to London last month. I reconfirmed by telex a week before the flight and re-confirmed 24 hours before the flight at Athens airport in person. We were to check in one hour before the flight. This we did, only to be told that the flight was full. About 15 other persons suffered the same plight. We were given the "run-around" until another airline deigned to accept us, and arrived in London six hours late.

The employees of the airline which had overbooked were not, in my opinion, rate an Olympic gold medal for courtesy, if such existed! If an "International Airline Consumer Protection Association" (IACPA) could be organized to help the lowly passenger against the arrogant airline giants, I would be the first to join.

GEORGE WOLF.

Lexington, Mass.

### Confronting Israel

If I were Prime Minister Menachem Begin of Israel, I too, would refuse to give up any part of the West Bank of Jordan. Why not? President Carter's administration has assured him of ample economic and military aid no matter what he does. Mr. Begin must be confronted with the sort of language he understands, otherwise he will continue to defy world opinion. Only by using the overpowering

strength of U.S. arms supplies and dollars, on which Israel absolutely depends, can President Carter hope to gain Israel's acceptance of his plan to return the West Bank and Gaza Strip to legitimate Palestinian sovereignty. Words are not enough.

H.F. HOPPER, Jr.  
Bracciano, Italy.

### Across and Down

Your crossword puzzle (IET, Aug. 27-28) constructed by Maura B. Jacobson was brilliant. As an (if you will excuse the phrase) addicted IET crossword puzzle junkie, I found this particular creation superlative. Anyone who can conceive "Arrivederci, 'Meccaroni' or 'Taiwan on Today" should get a rise in salary and possibly a job with Woody Allen.

D. SAGATYS.  
Voarburg, the Netherlands.

### Nobel Choices

I was impressed by the view of John Bovey (Letters, Sept. 1), in which he lists the great authors who have been awarded the Nobel Prize for Literature. I had no idea there had been so many. However, he mentions only 19 out of a total of 98 laureates since 1901; the remaining 80 are for the most part deservedly obscure, and nowhere among them do the names of Leo Tolstol, Mark Twain, Marcel Proust, Joseph Conrad, Thomas Hardy, James Joyce, F. Scott Fitzgerald, André Malraux, Vladimir Nabokov or Alberto Moravia appear. It would seem that geopolitics has always been a more important consideration than literary merit in the view of the Swedish Academy.

ROGER BOYLAN.  
Perny-Voltaire, France.

## Dealing With Threat Posed by Terrorists

By Jonathan Power

LONDON—One of the great intellectual reconciliations of the postwar British scene is about to be made public. Conor Cruise O'Brien, the Irish essayist, biographer of Parnell, leader of the UN troops in Katanga, and most recently the minister of posts and telegraphs in the Irish government, has an article in next month's Encounter. Yet it was only a decade ago he led the onslaught on the intellectual authority of Ennominer and its editor, Melvin Lasky.

In the New Left Review of 1967 he contributed a biting denunciation of Ennominer's subsidies from the CIA-funded Congress for Cultural Freedom.

Lasky terms O'Brien's offer of reconciliation "an act of great intellectual courage." O'Brien regards the bad blood of the 1960s as a "past chapter."

"Liberty and Terror," the title of O'Brien's Encounter article, suggests the real reason for the reconciliation: The threat to democracy that is posed by mounting terrorist activities. The focus of attention today for those who worry about the stability of Western democracy is not the Soviet Union, nor China, nor Western corruption in the form of Joe McCarthy or the CIA, but the hands of homegrown disenchanters who stick at nothing to achieve their goals.

### What Goals?

And what goals? Often it is difficult to know quite what the terrorists want. For all their announced purpose, they are, once the weapons have been removed, true believers in only one thing: that terror is liberty. Indeed the Italian movement, *Autonomia*, rejects discussion of pragmatic goals and simply stresses "vitality and action." O'Brien observes: "With few exceptions, terrorists are not theorists. The few who wish to articulate general ideas, and are capable of doing so in writing, are often taken by outsiders as speaking for the movement. In fact the business end of the movement—the killers and potential killers—may know little and care less about what these putative spokesmen are saying."

Yet even when the thinkers do the killing as they seem to in the Baader-Meinhof group; even when they are motivated for goals that are intelligible—the demise

of a class of people who privilege essentially for their gratification—they are, as human beings, flawed. Their end is to be confused by their means.

Violence is misused by Western democracies time and time again, both at home abroad. But at least democracies offer the possibility of admitting fault, of reforming and regaining themselves. So when gr like the IRA or the Baader-Meinhof insist on crudely tearing people and instituting without any attempt to dev a popular mandate one can agree that the state must all its power to isolate and power them. No compromise possible. No bargains should be made. "Those who regard Democratic state as justifying using force in defense of liberal values," O'Brien, "may not be to offer a philosophically a factory definition of liberty, at least they have practical experience of the condition y they identify as constituting a real liberty, for themselves and their fellow citizens, and y they consider to be of suff value to justify the use of in the defense of some known and held to be prec

### A Prescription

How then to deal with the terrorists? In short, what a Chancellor Helmut Schmidt doing? O'Brien's prescription though written from his experience as the principal architect of Anglo policy in Ulster, is apposite: vince the terrorist he is not to get his own way; refuse to let him, because although can argue himself from his peculiar premises, he is not possible to rational argument on premises other than own. Deprive him as far as sible of the publicity he so ly seeks. Refuse to be im confused or diverted by the satillity of his propaganda. paigms. Use unremitting, b unrestrained or indistinct pressure by the security f Lasky, still bemused, even whelmed by O'Brien's wit Encounter, concludes: "W witnessing a rejuvenation v vital center.

The terrorists, in their perverse way, have inspired beginnings of new democra alignments in the Western

baseball championship of world.  
Q—Wasn't that rather sporting?  
A—Yes.  
Q—Yes?  
A—I mean yes. The sn act of peridy since Pearl hor.

Q—What about Boston?  
A—A greedy bunch—all h no pitch, with a short left fence, and an ambulance pitching squad out of schuckists. General Ho headed by a Campbell.  
Q—And Baltimore?  
A—Soundrels, every on fishy crowd of schuckie. Why, Boston storms the Y Stadium, these tricky Bird flying by night around the battlefield for the next 11. Picking up points in C against a pick-up Little L team in Toronto.

### No Doubts

Q—Even so, am I right thinking that you believe York will win in the end?  
A—Without the all doubt, Emerson said it: "Things refuse to be misman long. See now! this man 'minister'!" All thing double, tit for tat; an eye; a tooth for a blood for blood." Or a Yankees believe, all things are cast down rise to the again.  
Q—Was Emerson a b player?  
A—Actually, he was a I fan, but he was a philos. He knew the law of con tion: for every accident, a lett, a Gundry, Figueroa, or Tidrow. For every ter Yankee Stadium, a Ja Nettles, Rivers, Chambliss, son or white. For potential disaster, a Sparky Q—And for every disaster?  
A—The Yankees, for written that strength grow of weakness in all place pecially in Boston and Ball



# lion Notes

## Magall Will Edit A Vogue Issue

By Hebe Dorsey

Sept. 14 (IHT).—Marc Magall has accepted to play of French Vogue's next as issue, joining ranks of other designers who have worked for the magazine. Magall, 34, is a French designer who has worked for the magazine since 1964. He has worked for the magazine's fashion editor, Françoise Morreau, and for the magazine's fashion editor, Françoise Morreau. He has worked for the magazine's fashion editor, Françoise Morreau, and for the magazine's fashion editor, Françoise Morreau.

Lord Snowdon and Vogue editor Françoise Morreau at Dior showing.

Sipa-Press.



Françoise Morreau (in charge of beauty and features), which often resulted in the magazine having a split personality.

The magazine's success is all the more interesting in that only 10 years ago, working for French Vogue was something of a joke—crowded as it was with rich and titled girls who used it as a super finishing school.

Not any more. The current issue, with pictures by Magnum's Eve Arnold and disrespectful, scabrous commentary by the elusive, enigmatic Lisey, goes well beyond the usual fashion coverage. The 500-page issue also speaks for the magazine's healthy financial state.

Hermès, whose expensive, exclusive image is associated with the Faubourg Saint-Honoré, is carrying a big expansion campaign. Besides 100 international retail

outlets, Hermès has been opening one boutique after another. Today, Lille, right after Frankfurt. Last May, Bordeaux, last June Miami and next November Palm Beach.

Following American stores' example, Hermès is also putting out a catalogue, "Le Monde d'Hermès," in three languages and with a 100,000 distribution.

Jacques Rouet, director of the house of Dior, was nominated officer of the French Legion of Honor today.

Fashion sells and the cosmetics houses are increasingly hitching their wagons to it. Elizabeth Arden has had a profitable fashion operation for years in her hair-dressing salons in the United States. Now, Helena Rubinstein in Paris has taken the same route. Under the direction of Jacqueline de Guitant, long with Dior, the Faubourg Saint-Honoré

boutique features a fashion department with clothes and accessories by young, trendy and relatively inexpensive French ready-to-wear designers—such as Dan Beranger, Anne-Marie Beretta and Claude Montana.

The latter, very much a new name to watch, has designed a small exclusive taffeta collection, consisting mostly of skirts and blouses in happy, spirited colors.

The his-and-hers sportswear boutiques at Roger et Gallet, also on the Faubourg Saint-Honoré, serve the same purpose, although the approach is more subdued and low-keyed. But there, too, the idea is to sell soap, cologne and the famous scented Lubin flannels.

Roger et Gallet has opened a boutique in Japan and is about to open a second one in New York.

By Oleg Kerensky

LONDON, Sept. 4 (IHT).—The touring section of the Royal Ballet closed an odd program for the opening of its three-week season at Sadler's Wells, its home theater, last night.

The company has a varied repertoire of classics and modern British ballets, but instead it presented an all-Balanchine evening, challenging comparison with the New York City Ballet. It has a tradition of discovering and developing talented new dancers, and it has several highly promising ones just now, but last night all the leading roles went to familiar and overfamiliar figures. The theater was not full and the evening was mildly agreeable rather than exciting.

Royal Balanchine is vintage Balanchine. "Concerto Barocco," given in London by this company for the first time last night, was created in 1941. When we saw it 30 years ago, it was one of our first examples of Balanchine's new abstract style, and a revelation of musicality and inventiveness. Now it seems bland and faintly boring.

Seemingly Modernity "The Four Temperaments," with its Hindemith music inspiring Balanchine to devise a wide range of quirky and evocative movements, seems much more modern, though actually made only five years later.

"The Prodigal Son," created for Lifar in 1929, seems the most modern of all. With its daring and

erotic orgy scenes, its symbolic use of costumes and props, and its essentially simple but highly effective telling of the biblical story, it is the sort of work contemporary dance choreographers often try but usually fail to create.

Desmond Kelly in the title role gives an intelligent and conscientious performance, looking handsome, dancing well and registering all the various moods and emotions. But he lacks that indefinable spark of electricity that compels an audience to believe in and suffer for the prodigal.

It is this electricity that makes star quality, and it is possessed by some of the Royal's other interpreters of this role. Similarly Vyryan Lorrayne as the siren

dances and acts well. It is not her fault that she just does not look like a sexy seductress.

The company does these works well enough to convey their mood and style and to give reasonable enjoyment to an audience, but not well enough to justify such concentration on them.

The remainder of the season includes an excellent production of "Coppelia," Ashton's delightful "The Two Pigeons," Cranko's evergreen "Pineapple Poll" and a new production of "Soft Blue Shadows," a charming Faure work by André Prokopy. But last night the repertoire and the casting policies of this talented and likable group needed urgent attention from Norman Morrice, the Royal Ballet's new director.

## BALLET: A Balanchine Revival by the Royal

## OPERA: A Colorful, Evocative 'La Bohème'

By Henry Pleasants

LONDON, Sept. 14 (IHT).—The English National Opera's new production of "La Bohème," introduced at the Coliseum, is a curious amalgam of the admirable and the exasperating.

There are so many good things about it. Hubert Moeloups' sets, to begin with, are wonderfully picturesque and evocative, especially a second act that places the Café Momus on the Right Bank, where it actually was in 1830, instead of on the Left Bank, where Puccini and his librettists put it, but hardly less so the split-level atelier of the first act, effectively reversed for the fourth.

There is splendid singing, too, from all the principals, most notably from David Rendall, a young English tenor of extraordinary promise who obviously found much pleasure in Puccini's vocal line, and provided much in the way he handled it.

Valerie Masterson offers a

pretty and vocally luminous Mimì, although the characterization is neither aided nor abetted by a red wig. Lorna Haywood is an ideal Musetta, and Christian du

### Ancient Center Found in Greece

KAVALA, Greece, Sept. 14 (AP).—Anilissara, a 3,000-year-old Mediterranean commercial center, was accidentally discovered during excavations at a building site near this Macedonian port, the local archaeological service has announced.

Among the ruins were found vases and other antiquities of the 7th century BC "of great archaeological value," the announcement said, adding that local archaeologists have been called in to work on the site.

Antisara had by 480 BC become the largest economic and trading center in the Mediterranean, the announcement said.

Plessis, David Marsh and John Tomlinson complete a lively and agreeable quartet of Bohemians. All are strongly supported by Charles MacKerras's musical direction, although possibly taxed from time to time by the conductor's tendency to linger affectionately over treasured phrases.

The opera is sung in an English translation, ill-suited to a work that, almost more than any other, is a hymn to the eloquent lyricism of the Italian language. But it doesn't matter. Hardly a word is intelligibly audible, and so one can mentally supply the Italian without disturbance or offense from English anomalies.

That so fine a performance is more diverting than moving is accountable to Jean-Claude Au-vray, the producer. He has worked with Jean-Pierre Ponnelle, and it shows. There is the same wealth of original and ingenious detail—and the same reluctance to leave well enough alone. As with Ponnelle, nothing is left to the imagination—or to the music.

### Fairbanks Sells Toy Soldiers

LONDON, Sept. 14 (AP).—Swashbuckling film hero Douglas Fairbanks, the first film Robin Hood and star of "The Mark of Zorro" and "The Three Musketeers," loved to play soldiers on the screen.

His son, Douglas Fairbanks Jr., also loved toy soldiers from the time his celebrated father gave him some lead soldiers to play with when he was 12.

Now the Fairbanks collection of 3,000 model soldiers and other small figures is up for sale Tuesday at Phillips' fine art auctioneers.

## DINING IN FRANCE

### Chef's Three-Star Birthday Party

By Naomi Barry

NNAY, France, Sept. 14 (IHT).—Tomorrow is probably the worst day of the year for a gastronomic pig-eater anywhere in France. A major number of the city's most brilliantly starred chefs will not be at home. A way of the great white will be sitting down to in Mionnay on the outskirts to celebrate the 40th of Alain Chapel, young star chef.

He and his brigade will be in the kitchen. Friends are but the performance had be high when among the guests are such exalted as the reigning hierarchy: Bocuse, Michel Guérard, Trésac, Roger Vergé, is Hise, Raymond Thuiller, Barrier, Paul Haeberlin, Pic, Louis Outhier, Mme Point plus the "Young

Turks" from the one and two-star, echelons.

Absent will be Jacques Marin, chef-proprietor of the honorable Cordon-Rouge in Paris. Marin, who classes a lunch eight years ago with Chapel that stretched from 2 p.m. to 8 p.m. as the most memorable meal in a life of good eating, flew to Lyons Tuesday evening for a trial run of tomorrow's ceremonial.

The dress rehearsal for seven persons started with an aperitif in the flowered patio. The champagne was a Krug, private stock. "I chose a 1969," said Remi Krug. "It is a perfect champagne and it also represents the year Chapel started in the profession." The palate ticklers were very small sweet oysters, Grassettes, from the Arcachon Basin and platefuls of pernilicious deep-fried little Goujons (gudgeons) from the Lake of Annecy.

Pleasure of Touching "They are a ritual with me," said Chapel. "It is always important to eat something with your hands. Pleasure of touching."

Young looks with truffles and olive oil were skipped over in the Tuesday runthrough, which moved directly into one of the big production numbers, *Rowelle de Langoustes Bretonnes à la Vierge de Veronique aux Groilles et Chicorée*. The harmoniously small portion and its artful presentation were very refined. A medallion of langoustes had been enveloped in a pale green salad leaf, tied into a packet and steamed over a court bouillon in which a bouquet of verbenes was steeped. The perfume of the verbenes was so subtle that it arrived only after the first fork and then it came and went. The transparency of the green chloory leaf mated with the translucence of the langouste.

It was followed by a *Foie de Lotte au Vinaigre et Petit Ragout de Blettes Nouvelles* (vinegar liver of monkfish and small ragout of young white beets). Lotte from icy fresh waters is delicate, rare and prized, including its liver. Chapel reasoned that there must be possibilities in the liver of the North Sea variety. Although none existed on the market, he commissioned his fish supplier to find some. Word went to the fishing boats to hold the monkfish livers for Chapel. Firm, white, with a certain resemblance to foie gras,

they slice nicely into escalopes. He sautéed them in hot butter and deglazed the pan with a good red wine vinegar.

Switched to Pheasant

Before tomorrow's guest list swelled from an "intimate" 30 to 140 (and as is, 10 of the wives are being shipped off to Bocuse's restaurant a few kilometers away), Chapel was planning for the next course, an eclectica of small birds. Not sure he could obtain the required number, he switched to pheasant hen à la crème with endives. Whereas the world has been trained to admire ivory white endive (grown in darkness), Chapel has opted for an endive that has been allowed to thrive chlorophyll-green. The accompaniment is a bouquet of delicate wild mushrooms: *cannaris, lactaires, chanterelles, giroles* and the blue Alpine *giroles, charbonniers and trompettes de la mort*.

The menu continues, though some guests may not, with a Chapel favorite: small individual pâtés of young wild rabbit served hot and at the same time as the famous house salads, incorporating the most tender new leaves of shoots and greens seldom found in anybody else's salad bowl.

The orchestration demands a cheese platter, but concentrated on four varieties... St. Marcelin, Vieux Gruyère, Reblochon, and Cîteaux. The last is a cousin to a Port Salut made by Trappist monks in the Burgundian abbey of Cîteaux.

Desserts at Chapel are always exuberant. His belief is that every meal should end *en fête*. For his birthday party, he has outdone himself. There will be the usual large assortment but only for the next fortnight can he serve the ice cream flavored with fresh crushed hazel nuts, since the soft-shell season is short. One of the little girls of the family picked them the other day in a neighboring field. The pale cream with its equally pale perfume is accompanied by red-fleshed peaches baked in the oven.

What are the wines chosen by a Chapel for a gala lunch for his friends? In succession: Chassagne Montrachet 1976—Les Ruchottes; Puligny Montrachet 1974—Les Fugelles; Côte Rotie 1967—private cellar of Chapoutier; Châteauneuf 1967—Leroy; Châteauneuf 1967. The finale is a friendship glass... more Champagne Krug, private stock.



My left muslin was chosen for the ensemble, available in eight colors and designs. And while I enjoy the look, the heavy crepe de Chine.

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## Trade Surplus First in Five Years

### J.K. Stocks Reach Record High

ON Sept. 14—London change prices surged to a high by midday today as other gains later when the market announced a trade surplus for the first time since the summer of 1972.

even higher, closing at 549.2, a rise of 13.5 points on the day. The previous record was set on May 19, 1972, when the index closed at 543.4. Since then, the fourfold rise in oil prices and worldwide recession plunged Britain into a round of economic and financial crises.

The visible trade surplus for August was £141 million. The trade surplus compared with a revised visible deficit for July of £220 million.

August exports rose to a record £2,773 billion from £2,741 billion a month earlier. Last month's imports fell to £2,632 billion from £2,971 billion in July.

The government estimated its surplus on invisibles at £175 million, resulting in a current account surplus of £316 million.

In August, 1976, Britain had a visible trade deficit of £284 million and a current account deficit of £35 million.

The current account surplus was the largest monthly current account surplus ever recorded.

The main reason for the first visible trade surplus since July, 1972, was the fact that imports fell £338 million last month from July.

However, a Trade Department spokesman said this fall in imports was due to "special factors," including a drop in diamond, ship and plane imports.

Despite the special factors, the spokesman said the three-month figures showed a "genuine" improvement in Britain's trade performance.

Index Seen at 600  
Dundas Hamilton, a former deputy chairman of the London Stock Exchange, predicted that the Financial Times index was headed for the 600-level. However, the prominent stockbroker warned that share prices might fall back in the short-term on profit-taking after the sharp advance in prices over the past six weeks.

The index began its latest surge July 27, when the Bank of England indicated it would no longer peg sterling directly to the dollar. The index has risen more than 100 points, or over 20 per cent, since that time.

The market touched its recession low of 146 on Jan. 6, 1975. This year alone, recovery from the 350-point mark has put £20 billion back into share values.

The index of 30 leading industrial shares has been a barometer of the stock market in this country for more than 40 years. The index was started in 1935, when the original base of 100 was set.

The shares of 30 major companies stretching across Britain's business spectrum are monitored. The fluctuations in the shares of each company being recorded each hour from 10 a.m., when the market opens, until the close of dealings some seven hours later.

How the index is calculated is kept secret to avoid limitation, but it is based on logarithmic computations and a confidential base figure.

The lowest the index has ever sunk was when Britain stood alone against Nazi Germany in World War II. On June 26, 1940, the index bottomed at 49.4.

## Glamour Stocks May Be Improving

By Robert Metz

NEW YORK, Sept. 14 (NYT).—The much-maligned glamour stocks, which have performed poorly since mid-1973, may at last be on the road to recovery.

In the period from May 29 through last Monday, an index of 15 of the best-known glamour stocks gained 4.7 per cent, while the Dow Jones Industrial average dropped 8.2 per cent. At the same time, the more broadly based New York Stock Exchange index declined 3.4 per cent.

These recent advances for the glamour—American Home Products, American Hospital Supply, Avon Products, Burroughs, Coca-Cola, Walt Disney Productions, Emerson Electric, Gannett, Hewlett-Packard, International Business Machines, Johnson & Johnson, Kmart, Merck, Philip Morris and Schlumberger—were like a reprieve, according to John Hartwell, an investment counselor and mutual fund manager.

Mr. Hartwell, who has followed growth stocks for 20 years, asserted in an interview that the reason the glamour stocks had done so poorly in the last few years was that institutional investors had bid their prices to highly unrealistic levels until they peaked in mid-1973.

"These great glamour stocks are really superb companies with high return on capital and consistent and superior growth," Mr. Hartwell said. "But when the price-earnings multiples on such stocks reached an average of 40, as happened in 1972-73, the prices far exceeded the value in the stocks. It was no surprise, then, that when the big institutions began to get nervous about their large and concentrated positions—in some cases

accumulated at high cost—these stocks had to go into a protracted retreat."

However, Mr. Hartwell said he believed that the price declines for these shares ended in mid-July, when the average price of the glamour stocks had fallen to below 14 times earnings. Comparing that with an average price-earnings ratio of 8.5 for the Dow Industrial components, Mr. Hartwell contended that a price-earnings ratio of 14 was a "relatively small premium" to pay for superior growth. Historically, 14 is "extremely low," he added.

It has been suggested by others that one reason for the bear market in glamour stocks is that many of the companies in the group have experienced slower growth of late—as they have achieved maturity or experienced growing competition or both.

Mr. Hartwell disagrees. He argues that his index of 15 glamour issues in the last five years has been greater than in the prior four—namely, 18.5 per cent compounded compared with 14.4 per cent from 1967 through 1970.

Mr. Hartwell suggested that individual investors might profit by buying the glamour issues while institutions decided on their next strategy focus. They have been emphasizing income stocks of late, he said, but have been in a state of shock since Bethlehem Steel halved its dividend in late July. On the other hand, the glamour companies on Mr. Hartwell's list have listened to the clamor for dividends anyway, he said. So far this year, their dividend rates have increased on average by 64 per cent from the 1976 level. By contrast, the Dow stocks have paid 12 per cent more this year.

## Stocks Make Small Gain As Volume Stays Low

NEW YORK, Sept. 14 (NYT).—Prices on the New York Stock Exchange showed a moderate gain today in light trading with the Dow Jones Industrial average staying above a 20-month low.

The index closed at 858.71, up 4.15. In each of the past three sessions it has slipped below 854.12, a 20-month closing low set Aug. 25, but managed to close above this level at the end of the session. The Dow was up 3.11 at 3 p.m. today.

Gainers outnumbered decliners by about 815 to about 530, and volume totaled 17.33 million shares, up from 14.9 million yesterday. Brokers note that trading has been held down in the past two sessions by observation of Jewish holy days.

Stocks were mostly lower in early trading after a prime rate increase by Chase Manhattan Bank late yesterday to 7 1/4 per cent from 7 per cent. However, brokers say the market was propped up by a sign from the Federal Reserve that it is not immediately tightening money policy any further.

With the rate on key-fed funds at 8 3/16 per cent bid, the Fed brought downward pressure on the fund rate. The Fed signaled earlier this week that it had raised its target on the rate to 8 1/8 per cent but analysts said it might soon raise the target further.

Among the biggest percentage gainers was actively-traded Falcon Seaboard, up 2 1/2 at 25 3/4.

Italian Output Expected to Fall  
ROME, Sept. 14 (Reuters).—Industrial production in the second half of 1977 is expected to fall below its level of the same period last year, the industry federation Confindustria forecast today.

For the whole of 1977 Confindustria forecasts an increase of 2.2 per cent in industrial production, with output falling 0.8 per cent in the third quarter and 2.1 per cent in the fourth quarter, both compared with the same 1976 periods.

Confindustria said its forecasts exclude the motor industry and clothing sectors, where relevant data was not available.

The stock dropped 4 1/2 points yesterday after the company announced termination of merger talks with Raytheon, which eased 1 1/2 to 31 today.

Also active was TIT, up 5/8 at 30 1/2.

General Motors, which reported nearly a 13-per cent rise in early September car sales, rose 1 1/2 to 68 1/2. Chrysler rose 1/2 to 16 1/2 on a 16-per cent jump, while Ford Motor eased 1/4 to 44 1/8 after posting a 9.5 per cent increase.

Prices finished higher on the American Stock Exchange in slow trading.

## EEC Growth Falling Short

LUXEMBOURG, Sept. 14 (AP).—The real growth in the Common Market, gross national product, is not likely to surpass 3 per cent in 1977, falling short of initial projections which were for a 4-per-cent growth, economic and financial commissioner François-Xavier Ortoli told the EEC parliament today.

Mr. Ortoli noted that more favorable trends for the EEC economy which were signaled in the last 1976 quarter, when GNP rose real 5.5 per cent from the year-earlier period, did not materialize in the first half of 1977.

Hinting at economic stagnation, Mr. Ortoli said there were no significant changes in the economic trends since May.

Although price rises appear to be slowing, Mr. Ortoli said, much remained to be done in the community's fight against inflation. The Commission previously estimated an average inflation rate of 9.6 per cent for the EEC this year, only marginally off from 8.9 per cent in 1976.

Unemployment, remains a major problem, the commissioner said, noting that the jobless rate, at 5.4 per cent in July, is well above the 5 per cent of May.

Heinz Raises Dividend  
PITTSBURGH, Sept. 14 (Reuters).—H.J. Heinz said it increased its quarterly dividend to 36 cents from 30 cents payable Oct. 10, record Sept. 31.

## ish Leyland Profit Falls, mah Oil Reports a Loss

ON, Sept. 14 (AP-DJ).—Leyland Ltd. today reported a first-half profit of £3.5 million, down sharply from £13 million in the comparable period.

State-owned car company at due to disruptions in industrial supplies both to company and among its second-half results likely to be better than the first half.

While British Leyland's first-half profit fell to £3.5 million, compared with £13 million in the comparable period, the company declared an interim dividend of 10 pence.

problems in its shipping operations. First-half losses in this sector came to just under £20 million. In the first half of 1976 shipping losses totaled £24.7 million.

The post-tax losses are before extraordinary losses of £11.9 million in this year's first-half compared with extraordinary credits of £10.3 million a year earlier.

Leyland Sales Fall  
Although the value of Leyland sales rose in the first half, sales by vehicle unit declined to 412,000 from 437,000 a year earlier.

The company said "continued inflation in the United Kingdom and the strengthening of sterling in relation to other currencies, particularly since October, 1976, have severely curtailed export margins."

In Britain, Leyland first-half car sales dropped to 172,810 from 189,105 a year earlier. The company, with just under 25 per cent of the total market, lost its leadership in the home market to Ford Motor Co., which had sales in the six months to June 30 of 189,830 cars.

Leyland chairman Sir Richard Dobson said the major reason for the "unsatisfactory" first-half results was the six-week strike by the company's toolroom workers in the first quarter of the year.

"In the second quarter the performance of the car plants was good enough to rebuild stocks of some models but the loss of profits in the first quarter is of course irrecoverable," Sir Richard said.

The chairman said that although there had been some recent signs of a better understanding between the company and its employees, the return to free collective bargaining after the end of two years of pay controls was bound to put additional stresses on the British car industry in general.

Secretary Richard "pressed hard" during the year when the Japanese at the \$6.5-billion figure got no satisfactory source said.

oper, head of the U.S. m, told the Japanese he talks that they must str current account surplus a deficit, or at least the trend.

ers noted that to hold plus to not more than on this year Japan would cut the rate of surplus be first four months of 1977—about \$1 billion—no less than one third for the remaining eight

U.S. source said the re-nounced Japanese stimulus was unlikely to get soon enough or to enough to achieve that rate reduction.

so noted that Japan's state of the current account for fiscal 1977, 31 January, predicted a deficit. During a conference on Monday, Foreign Minister Furukawa said that estimate was "errors in arithmetic."

Sept. 14 (Reuters).—Japanese Premier Takeo Fukuda today warned the Common Market that if France's call for controlled growth of world trade meant protectionism, it was a highly dangerous idea.

In an interview with visiting European journalists, Mr. Fukuda urged French President Valéry Giscard d'Estaing to say clearly what his policy was.

"Until I get a clearer indication of President Giscard d'Estaing's thinking, I cannot give a clear reply," he said.

At a summit meeting in London at the end of June, Common Market leaders endorsed the French President's call for "organized liberalism" in world trade.

"It means a system of orderly marketing arrangements, I wholly agree with him," the Japanese Premier said.

"But if the French concept of controlled growth means protectionism it is a highly dangerous idea," Mr. Fukuda said.

French Jobless Rate Rises to 5.5 Per Cent  
PARIS, Sept. 14 (Reuters).—French unemployment rose to a post-war record of 1,215,900 in August from 1,180,000 in July, the Labor Ministry said today.

In August last year, there were 961,700 unemployed.

The ministry gave no percentage figures but based on latest population statistics August unemployment represents 5.5 per cent of the working population against 5.4 in July.

Company Report  
Profits in Millions of Dollars  
Quarter 1977 1976  
Campbell Soup 355.7 379.0  
..... 24.2 22.4  
e ..... 0.74 0.69  
..... 1,770.0 1,630.0  
..... 107.1 101.0  
e ..... 3.28 3.07

## Study Rejects Threat of Oil, Gas Shortage

WASHINGTON, Sept. 14 (AP-DJ).—A private study published yesterday says the world is not in much danger of running out of oil and gas soon, but that the United States should take precautions against a new embargo by Arab oil producers.

The study is a collection of essays by economists and other specialists for the Institute for Contemporary Studies, a nonprofit organization supported financially by a number of large corporations including Shell Oil Co., Getty Oil Co., Atlantic Rich-

field Co. and Standard Oil Co. of California.

It discounted other reports that the world might run out of oil in the 1980s.

One of the authors, economist Robert Pindyck, told a news conference the removal of U.S. price controls on oil and natural gas would, contrary to the belief of President Carter's energy experts, substantially increase U.S. oil production.

Prof. Pindyck, of the Massachusetts Institute of Technology, estimated that instead of merely limiting the growth of oil demand as Mr. Carter's energy plan anticipates, removal of price controls actually would drive down demand for oil, partly in response to the higher prices and partly because natural gas production would increase and replace some oil.

Another author, economist Arthur Wright of Purdue University, said he was less optimistic about increasing oil production, that "there may be less response" to higher prices than Prof. Pindyck thought.

But he agreed that oil prices in the United States should be decontrolled and said other methods could be used to deal with windfall profits from existing oil reserves if necessary.

Bonn Approves Budget Increase  
BONN, Sept. 14 (AP).—The West German Cabinet formally approved today a 10.1-per-cent increase in federal spending for the 1978 budget.

The increase is part of an economic stimulus package designed to boost West Germany's economic growth rate, which had been projected at 5 per cent for this year.

According to recent announcements, the government now expects the German economy to average about 3.5-per-cent growth by the end of the year.

The Cabinet is also reportedly considering other stimulus measures. Sources said these included personal tax cuts and tax breaks for private business.


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AUGUST 15, 1977



— 1977 —						— 1977 —						— 1977 —					
High	Low	Stocks are Div In \$	%E	100s High Low Quot	Close	High	Low	Stocks are Div In \$	%E	100s High Low Quot	Close	High	Low	Stocks are Div In \$	%E	100s High Low Quot	Close

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# ocean Markets

Today's closing prices  
(Local currencies)

Commodity	Price
Grain	1.36
Wheat	1.77
Barley	1.12
Maize	1.10
Beans	1.44
Peas	1.25
Flour	1.15
Oil	1.12
Sugar	1.12
Coffee	1.12
Tea	1.12
Cocoa	1.12
Latex	1.12
Rubber	1.12
Gold	1.12
Silver	1.12
Platinum	1.12
Palladium	1.12
Iridium	1.12
Rhodium	1.12
Pt	1.12
Ag	1.12
Cu	1.12
Ni	1.12
Co	1.12
Fe	1.12
Mn	1.12
Zn	1.12
Pb	1.12
Sn	1.12
Al	1.12
Mg	1.12
Ca	1.12
Na	1.12
K	1.12
Li	1.12
Be	1.12
B	1.12
C	1.12
N	1.12
O	1.12
F	1.12
Cl	1.12
Br	1.12
I	1.12
At	1.12
Ra	1.12
Ac	1.12
Th	1.12
Pa	1.12
U	1.12
Np	1.12
Pu	1.12
Am	1.12
Cm	1.12
Bk	1.12
Cf	1.12
Es	1.12
Fm	1.12
Md	1.12
No	1.12
Lr	1.12

# U.S. Commodity Prices

NEW YORK, Sept. 14—Cash prices in primary markets for selected commodities today in New York were:

Commodity and unit New York Year ago

# NYSE Nationwide Trading (3 O'clock) Sept. 14

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هذه امة العدل

[illegible]

• We are an equal opportunity employer M/F/H

**Our company consists of 2 divisions, The Corrosion Resistant Piping Division which manufactures Fiberglass Reinforced Plastic Pipes and The Protective Coatings Division manufacturing Corrosion Resistant Coatings. The main offices and manufacturing facilities are at Geldermalsen, We have sales offices in Europe and the Middle East and have ± 130 employees.**











## *Lies—All Lies*

## Robert Lowell—His Last Book of Verse

Edward Landry, an attorney insurance company the co-executor of a \$750,000 estate of J. Paul Getty Jr. that the first phase of matters has ended smoothly debts cleared up and taxes but they are having trouble the old tycoon's remains last winter he instructed Getty had no debts and taxes were relatively because he left the bulk estate to charity," said I. who estimated taxes ran to \$10 million. Meanwhile, body remains in a refrigerated vault, awaiting burial on a new site. "I think Getty's last wishes con- with state laws forbidding on private property.

## CLASSIFIED ADVERTISEMENTS

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